



## Seminar and reference guide

FALL 2014



### Members of the Board

Jeff Wulfson  
*Chairman,  
Designee of  
Commissioner of Elementary and Secondary  
Education*

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Richard L. Liston

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### Executive Director

Joan Schloss (*through November 21*)

Erika M. Glaster (*effective November 24*)

## Contacting us...

The MTRS operates two offices; depending on where you are employed, you should contact the office in Cambridge or in Springfield.



### Western Regional Office

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## Office hours and services

9 a.m. – 5 p.m., Monday through Friday

Walk-in services are limited—

Please visit our website or call us with your questions and save yourself the drive.

## When writing to us...

Be sure to include your name, member number (if known) and **only the last four digits of your Social Security number—not your entire SSN**—on your correspondence.

## Visit us at [mass.gov/mtrs](http://mass.gov/mtrs)!

Stay up to date on retirement issues—access the latest information on:

- Legislative activities that affect your retirement benefits
- MTRS programs and services
- MTRS publications and regulations

Or send your e-mail to us at: [geninfo@trb.state.ma.us](mailto:geninfo@trb.state.ma.us)

*Receive periodic e-mail updates from us—  
Register online to join our e-mail list—it's easy!*

**SOUTH YARMOUTH**

Tuesday, November 18

**AUBURN**

Thursday, November 20

**WOBURN**

Thursday, November 20

**NORTHAMPTON**

Tuesday, November 25

**IPSWICH**

Tuesday, November 25

**CAMBRIDGE**

Tuesday, December 2

**CAMBRIDGE**

Thursday, December 4

**HANOVER**

Tuesday, December 9

**NORTON**

Tuesday, December 16

# Ready for Retirement

*For members with effective membership dates before April 2, 2012 (Membership Tier 1)*

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*Thank you for attending today!*

The MTRS staff has developed this presentation to remind and inform you of your retirement benefit options, to give you the information you need to estimate your actual retirement allowance and to point out other issues you will need to consider in retirement.

This booklet, written by the staff of the MTRS, was prepared exclusively for use by members of the Massachusetts Teachers' Retirement System in conjunction with the seminar entitled *Ready for Retirement*. It is not intended as a substitute for the Massachusetts General Laws nor will its interpretation prevail should a conflict arise between the contents of this booklet and M.G.L. c. 32. Finally, rules governing retirement are subject to change periodically either by statute of the Massachusetts Legislature or by regulation of the Teachers' Retirement Board.



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### Overview

Timely notes and important updates

- Part 1 Pre-retirement issues**  
What you need to do and consider before you retire
- Part 2 The application process**  
A step-by-step walk-through of the process, so that you know what to do and to expect—and when
- Part 3 Other retirement issues**  
Other topics you need to be aware of as you approach retirement

Q&A



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First and foremost—

### The MTRS plan and your benefits

- The MTRS is a defined benefit plan under Section 401(a) of the Internal Revenue Code
- Your benefit is determined according to a set formula, and paid monthly for life
- Fluctuations in the financial markets do **not** affect the amount of your benefits; the pension fund is invested in a well diversified portfolio, with a focus on long-term returns



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New terminology

### "Membership Tier"

- Pension Reform III created a different benefit structure for new members of Massachusetts public retirement systems on or after April 2, 2012
- Because benefits are now based, in part, on membership date, MTRS distinguishes between two "Membership Tiers" based on when you established membership:
  - **Before April 2, 2012** **Tier 1**
  - **On or after April 2, 2012** **Tier 2**

**NOTE:** The benefits provided under **Tier 2** will **not** be covered during this program

- Formed on July 1, 1914, the MTRS has now been proudly serving Massachusetts educators for 100 years!

- **Take note:** Because the MTRS is a defined benefit plan, fluctuations in the financial markets do **not** affect the formula or the amount of your benefits. The pension fund is managed by the Pension Reserves Investment Management (PRIM) Board, and is invested in a well diversified portfolio, with a focus on long-term returns.

- The current MTRS Board members are:

- ☐ Jeff Wulfson, Chairman, Designee of Commissioner of Elementary and Secondary Education
- ☐ Steven Grossman, State Treasurer
- ☐ Suzanne M. Bump, State Auditor
- ☐ Karen A. Mitchell, elected member
- ☐ Dennis J. Naughton, elected member
- ☐ Richard L. Liston, Board appointee
- ☐ Anne Wass, Governor's appointee

- For information on the pension fund's investment allocation and performance history, as well as biographical sketches of our Board members, see our website.

- Pension Reform III, effective November 16, 2011, created a new benefit structure for individuals who became members of Massachusetts public retirement systems on or after April 2, 2012.

- Changes to the benefit structure for Tier 2 members include:

- ☐ an increase in the minimum retirement age from 55 to 60;
- ☐ an increase in the final salary average period from 3 years to 5 years; and,
- ☐ a reduction in the age factors used to calculate retirement benefits.



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### Understand that not all earnings qualify as regular compensation...

Included:	Excluded:
■ Annual base salary per collective bargaining agreement (CBA) or individual contract	■ Amounts paid due to employer's knowledge of retirement
■ Regular longevity	■ Sick leave buy-back
■ Coaching	■ Unused vacation
■ Annual payments for additional services pursuant to CBA	■ Hourly payments
	■ Temporary salary augmentations
	■ Annuities and fringe benefits*

\* Except as grandfathered under the Pension Reform Act



- As you may know, you pay contributions only on earnings that count as “regular compensation.” Likewise, when we determine your final salary average for your retirement benefit calculation, we count only your “regular compensation.”
- **Temporary salary augmentations:** Pursuant to Public Employee Retirement Administration Commission (PERAC) regulation 840 CMR 15.03, regular compensation excludes extraordinary, ad hoc, nonrecurring salary enhancements, such as enhanced longevity buy-out provisions (ELBOs).

### Pensionable earnings cap

Members who join the MTRS on or after January 1, 2011 are subject to a pension cap, which is implemented by way of a limit on the amount of “regular compensation” that may be counted toward their retirement benefit. Specifically, the amount of “regular compensation” is limited to 64% of the “non-grandfathered” Internal Revenue Code s. 401(a)(17) limit. In 2014, this limit is \$166,400 (64% of \$260,000). It will change as the IRC s. 401(a)(17) limit changes.

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### Creditable service

### Purchasable service

**Billed at “actuarial” interest rate (currently, 8.00%)**

- Refund buy-back
- MA state or municipal employment
- MA substitute or temporary teaching
- Out-of-state public school teaching
- Nonpublic school teaching (pre-1973, private school)
- Dept. of Defense overseas dependent school teaching

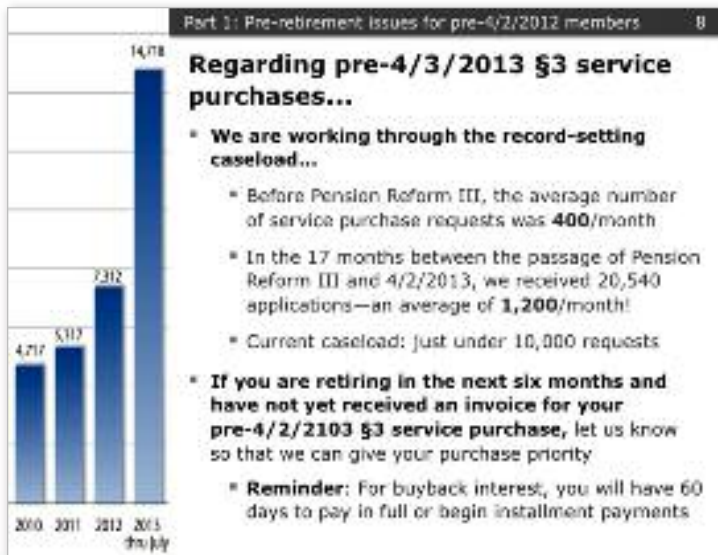
**Billed at “buyback” interest rate (currently, 4.00%)**

- Military service
- Nonpublic school teaching (MA publicly funded school)
- Vocational education
- Peace Corps service




- Service rendered as an “03” contract employee of the Commonwealth of Massachusetts continues to be ineligible for purchase.
- Credit for day-to-day substitute service is based on the number of full days worked, divided by 180 (the number of days in a standard school year).
- **A note about pre-1975 maternity leave credit** (not listed on slide): As you may know, in 2001, eligible members who took an unpaid leave, or resigned, for maternity or adoption purposes prior to January 1, 1975, were given the opportunity to purchase creditable service for their leaves; this service had to be purchased by December 31, 2001. However, in certain rare circumstances, members who did not have ten years of creditable service as of December 31, 2001 may qualify to purchase this service upon attaining ten years of creditable service. If you believe that you may qualify, please contact our office for assistance.

## Part 1: Pre-retirement issues



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### Complete your service purchases NOW

- If you have rendered past creditable service that is eligible for purchase (see page 5 of program guide), investigate the benefit and cost of purchasing it **NOW**, if you haven't already
- All service purchases must be paid in full prior to your date of retirement—remember:
  - All creditable service must be purchased while you are still an active member
  - Rollovers and trust-to-trust transfers take time—start now and follow up with your financial institution until they confirm transfer
  - Late payments will postpone your date of retirement and delay your first retirement check
  - On an installment plan and retirement date approaching? Contact us for your buyout cost

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### Creditable service

#### How do I purchase service?

- **Download** service purchase forms from [mass.gov/mtrs](http://mass.gov/mtrs) > Forms and general resources
- **Submit** completed form to MTRS for processing; we will send you an invoice
  - The cost typically includes **principal** (past earnings x applicable contribution rate) and **interest**
  - Special formulas apply to certain types of purchases (e.g., voc-exp, military)
- **Pay** by personal check, a rollover or transfer from an eligible plan, or through our five-year installment plan (must be paid for before your date of retirement)

Reminders for members who met the April 2, 2013 filing requirements to be invoiced for “section 3” service at the lower, “buyback” rate of 4.125% then in effect:

- If you submitted only Part 1 of your application by 4/2/2013, and you submitted your completed Part 2 (and, in the case of out-of-state service, Part 3) to the MTRS, postmarked on or before **August 31, 2014**, you preserved your right to an initial invoice at the lower, “buyback” rate.
- You will have 60 days from the date your invoice is issued to EITHER pay for your service in full, OR submit both your signed installment agreement and first annual payment. If you don't, and you later wish to purchase your service, you will be charged the higher, “actuarial” interest rate.
- If you wish to pay via a rollover or transfer, be aware that your financial institution may take up to 60 days to process your request. If your rollover or transfer cannot be completed by the invoice due date or your date of retirement, whichever comes first, please do not pursue this payment method.

If you apply to purchase service within six months before your date of retirement, please indicate your anticipated date of retirement on your service purchase form so that we may assign it the proper priority to ensure that it is processed in time for you to pay for it prior to your date of retirement.



Review the types of creditable service on the next page. If applicable, take steps to purchase your past creditable service. Please note these three important reminders...

- 1) **You must pay for all of your service purchases BEFORE your date of retirement.** Late payments will **DELAY** your date of retirement—and because retirement benefits are retroactive only to your date of retirement, **late payments will cause you to lose money!**
- 2) **Start early.** Since it may take time for you and your prior employers to gather documentation of your past service, we strongly encourage you to start the service purchase process early—please don't wait until the last minute!
- 3) **Be sure to complete your application in full.** Incomplete applications will cause delays as they will be returned to you for completion.



### Creditable service

What it is, how it's credited and/or purchased, and applicable interest rates

The amount of creditable service you have is very important: it is one of the three factors used to calculate the amount of your retirement benefit (the other two are your age and salary average); and, it determines whether you are “vested” for purposes of receiving a retirement benefit.

#### ■ Service that is automatically credited by the MTRS

- ☐ **Regular MA public school teaching service:** Credited through your school's monthly deduction reporting. [Note: If you previously rendered MA public school service, and then left and took a refund of your MTRS account, you may “buy back” your prior service credit (this is known as a “refund buyback”). See Other MA public service, below.]
- ☐ **Authorized leaves of absence, including sabbaticals:** For paid leaves, credited based on the length of your leave and amount of compensation received, as documented by you and your school district; for unpaid leaves, up to one month of credit.
- ☐ **Military leave of absence during your membership in a MA contributory retirement system:** If you are called to military duty while you are a member of a Massachusetts retirement system, and, within two years of your discharge or release, you return to membership service, your military leave will be credited based on documentation from you and your school district or municipality.

#### ■ Service that you must apply to purchase—and pay for prior to your date of retirement

If you rendered any of the types of service listed below, you may be eligible to purchase credit for your service. If you wish to purchase credit, you must complete and submit the appropriate service purchase applications (available on our website at [mass.gov/mtrs](http://mass.gov/mtrs)), along with any required documentation. We will review your application, determine your eligibility to purchase your service, and send you an invoice. Please note:

- ☐ As of July 3, 2014, to be eligible to purchase service, at the time you submit your service purchase application, you must be a member in service with the MTRS (generally, you are a “member in service” if you are: actively teaching; receiving Workers' Compensation for total incapacity; on a sick leave; or, on an authorized unpaid leave of less than one year).
- ☐ All service purchases must be **paid for in full** prior to your date of retirement; late payments will delay your date of retirement.
- ☐ Be aware that the service purchase process may take several months, so please be sure to start the service purchase process as early as possible in advance of your desired retirement date.

Type of purchasable service	Maximum time creditable	Applicable interest rate
<input type="checkbox"/> <b>Other MA public service with the MTRS or a MA town, city, state, county or regional authority<sup>1</sup>, during which...</b>		<b>Actuarial interest (currently, 8.00%)<sup>1</sup></b>
<input type="checkbox"/> <b>You were NOT a member of a MA contributory retirement system</b>	20 years	
<input type="checkbox"/> <b>You WERE a member of a MA contributory retirement system, and after which, you withdrew your funds (known as a “refund buyback”)</b>	No maximum	
<input type="checkbox"/> <b>MA public school substitute, temporary or part-time teaching or tutoring service</b>	20 years	
<input type="checkbox"/> <b>Out-of-state public school teaching service<sup>2, 4</sup></b>	10 years	
<input type="checkbox"/> <b>Nonpublic, private school teaching service BEFORE 1973<sup>2, 3, 4</sup> (out-of-state or in MA)</b>	10 years	<b>Buyback interest (currently, 4.00%)</b>
<input type="checkbox"/> <b>Overseas dependent school teaching service<sup>2, 4</sup></b>	5 years	
<input type="checkbox"/> <b>Vocational education work experience (for Chapter 74 certified educators)</b>	3 years	
<input type="checkbox"/> <b>Nonpublic school teaching service in a MA publicly funded school<sup>3, 4</sup></b>	10 years	
<input type="checkbox"/> <b>Peace Corps service</b>	3 years	
<input type="checkbox"/> <b>Pre-1975 maternity leave (except in rare situations, you must have purchased this service by 12/31/2001; however, if you believe you may qualify, please contact our office)</b>	4 years	<b>No interest charged on 1st invoice, 1st due date; thereafter, buyback interest</b>
<input type="checkbox"/> <b>Active military service in U.S. armed forces, MA National Guard or Active Reserves (other than a military leave of absence during membership in a MA contributory retirement system)</b>	Generally 4 years	

<sup>1</sup> EXCEPTION: If you established membership in a Massachusetts public retirement system on or after April 2, 2012, and you had previously been a member of a Massachusetts public retirement system and taken a refund of your account, you will have one year from the date that you re-entered public service to apply and pay for your service purchase at the lower “buyback” interest rate (currently, 4.00%). After your first year of re-entry to membership, you will be subject to actuarial interest.

<sup>2</sup> You may purchase a combined total maximum of ten years of out-of-state service (i.e., service rendered: in an out-of-state public school; before 1973 in an out-of-state nonpublic school; or, in an overseas dependent school).

<sup>3</sup> You may purchase a combined total maximum of ten years of nonpublic school service.

<sup>4</sup> In order to receive credit for your out-of-state and/or nonpublic school purchases toward your retirement benefit calculation, you must—at the time of retirement—also have at least as many years of “matching” Massachusetts membership service; you may not count your same years of “matching” Massachusetts membership service toward both the out-of-state and nonpublic school “matching” service requirements.



## Part 1: Pre-retirement issues

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### Know the eligibility criteria

Two retirement plans under the MTRS, each with different eligibility criteria:

- **"Regular"**
  - Any age, with **20 years** of creditable service, OR
  - **Age 55** with **10 years** of creditable service
- **RetirementPlus**
  - Any age, with **30 years** of creditable service, at least **20 years** of which must be "teaching" service with the MTRS or Boston Retirement System

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### Understand the benefit calculation formula

**Age factor** based on your age at retirement

x Your number of years of **creditable service**

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Allowed percentage of salary average

+ **RetirementPlus** percentage, if applicable

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Allowable percentage of salary average (80% max)

x **Salary average** (highest three consecutive years)

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Your Option A annual allowance subtotal

+ **Veteran's bonus**, if applicable (\$15 per year of creditable service, up to \$300)

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**Your Option A annual allowance total**

### Option A age factor table for Tier 1 members

(established membership before 4/2/2012)

Use your age on your retirement date

Age	Factor	Age	Factor	Age	Factor
41	0.001	50	0.010	59	0.019
42	0.002	51	0.011	60	0.020
43	0.003	52	0.012	61	0.021
44	0.004	53	0.013	62	0.022
45	0.005	54	0.014	63	0.023
46	0.006	55	0.015	64	0.024
47	0.007	56	0.016	65+	0.025
48	0.008	57	0.017		
49	0.009	58	0.018		

- If you are participating in RetirementPlus and, at the time of your retirement, you have 30 years of creditable service, at least 20 years of which are membership service with the MTRS or the Boston Retirement System as a teacher, you will be eligible to receive the RetirementPlus enhanced benefit.
- Tier 1 members entitled to the RetirementPlus enhanced benefit receive an additional 12% added to the allowable "percentage of salary average" upon reaching 30 years, with an additional 2% for each **full** year thereafter (e.g., with 31 years, you receive an additional 14%; with 32 years, 16%; with 33 years, 18%, etc.).
- If you *elected* to participate in RetirementPlus, but then do not meet either the 20-year "membership" or the 30-year total service requirement by your date of retirement, you will receive a retirement benefit calculated under the regular formula and a refund of your RetirementPlus contributions, plus regular interest.

**If you have rendered any "membership" service on a part-time basis, please be aware of how your part-time service will be credited** (see page 36 for details).

- For Tier 1 members, the salary average is the average of either your three highest consecutive years' salaries, or your last three years' salaries, whichever is greater.
- **Veteran's benefit:** If you are a military veteran as defined in M.G.L. c. 32 § 1, a veteran's benefit will be added to your Option A allowance. This benefit is equal to \$15 per year of creditable service, up to a maximum annual total of \$300. You will need to submit a copy of your military discharge (also known as Form DD214). If you are eligible to receive the maximum retirement allowance—80% of the average of your highest three consecutive years' salaries—by reason of your established creditable service and age, you will still receive your veteran's benefit on top of your maximum allowance.



## Part 1: Pre-retirement issues

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<b>Consider the three benefit options</b>		
Option	Retiree benefit amount	Survivor benefit, if any, upon retiree's death
<b>A</b>	Maximum allowance	None
<b>B</b>	Appr. 1% less than Option A amount	One-time lump-sum payment of balance, if any, remaining in retiree's account; no restrictions on beneficiary designation
<b>C</b>	Appr. 9–11% less than Option A amount	Monthly benefit, equal to 2/3 of retiree's benefit, to one named beneficiary (restrictions apply); pop-up provision

### Option B

- There are no restrictions on who or how many individuals or entities may be named as a beneficiary.
- In most cases, the annuity will be depleted in 9 to 11 years.

### Option C

- The beneficiary must be the member's parent, child, sibling, spouse or former spouse who has not remarried.
- If your Option C beneficiary predeceases you, your monthly benefit will "pop up" to the Option A benefit amount that you would have received on the date of your retirement, plus any cost-of-living adjustments.

### Just for your reference...

The retiree class of 2013 chose as follows:

Option A	56%
Option B	15%
Option C	29%

Remember—your option selection is a personal choice, to be based on **your** individual financial and personal situation, and it cannot be changed after your date of retirement.

## Part 1: Pre-retirement issues



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### Plan for your health insurance coverage

Avoid surprises—  
a year **BEFORE** your date of retirement...

- Contact your appropriate insurance coordinator...
  - If in Retired Municipal Teachers' (RMT) Program (see list): Group Insurance Commission
  - If **not** in RMT: Local insurance coordinator; also applies if district participating in "GIC Municipality Program"
- If you qualify for Medicare, ask how your school district insurance will supplement your Medicare
- Understand survivor health insurance benefits—Do they exist? What are the costs?
- Arrange to have premiums withheld from your retirement check

Avoid penalties—**BEFORE** your 65th birthday...  
contact the SSA to determine your eligibility for Medicare and when you need to apply for Part B

### Districts participating in the Retired Municipal Teachers' (RMT) Program As reported by GIC as of September 1, 2014

Amesbury	Gr. Lawrence Reg.	Pioneer Valley Reg.	Wareham
Barnstable	Harvard	Plainville	West Bridgewater
Billerica	Holyoke	Quabbin Reg.	Westfield
Blackstone Valley Reg.	Hudson	Rehoboth	West Springfield
Bourne	Martha's Vineyard Reg.	Revere	Whitman-Hanson Reg.
Braintree	Milton	Rockland	Woburn
Bridgewater	Narragansett Reg.	Rockport	
Cohasset	Newbury	Rutland	<i>For the latest list,</i>
Dedham	North Adams	Salisbury	<i>always go to</i>
Dennis	North Attleboro	Shawsheen Valley Reg.	<i>mass.gov/gic, or</i>
Eastham	North Middlesex Reg.	Spencer	<i>contact your local</i>
Everett	Norwell	Stoughton	<i>insurance coordinator</i>
Granby	Paxton	Upper Cape Cod Reg.	

For information on your **health insurance coverage options** in retirement, if your district:

- Participates in the Retired Municipal Teachers' (RMT) Program (see list, below), contact the **Group Insurance Commission** at [mass.gov/gic](http://mass.gov/gic), or 617-727-2310.
- Is not listed as participating in the RMT Program, below, please contact **your local insurance coordinator**. (Note: Your city or town may participate in the "GIC Municipality Program." If so, you should still contact your local insurance coordinator as he or she will administer your coverage, which is provided through the GIC.)

For information regarding your **Medicare eligibility**, see [www.medicare.gov/MedicareEligibility](http://www.medicare.gov/MedicareEligibility).

- Generally, you are eligible for Medicare if:
  - ☐ you or your spouse worked for at least 10 years in Medicare-covered employment and you are 65 years or older and a citizen or permanent resident of the United States, or
  - ☐ through your employer(s), you have paid the Medicare tax of 1.45% on your earnings for at least 10 years.
 Source: [www.medicare.gov/MedicareEligibility](http://www.medicare.gov/MedicareEligibility) > General Enrollment and Eligibility.
- If you were hired by a Massachusetts public employer on or after April 1, 1986, you are required to pay the 1.45% Medicare tax. While this does not earn you any Social Security "credits," it does entitle you to Medicare coverage at age 65 if you have paid this tax for at least 10 years.
- Individuals who do not sign up for Medicare Part B when they are first eligible may be subject to a substantial late-enrollment penalty. Be sure to inquire about your Medicare eligibility at least three months prior to your 65th birthday and follow the application procedures at [www.ssa.gov](http://www.ssa.gov).

**Obtain the following information from your local insurance coordinator** (generally, your local treasurer or school business office):

- 1) What percentage of your health insurance premium will your school district pay when you retire? . . . . .  %
- 2) Your health plan options...
  - Which health plans will your district make available to you when you retire?
  - What are the differences in premiums?
  - Does your district provide an option that will cover you if you move out of state? . . . . . ☐ No ☐ Yes (describe)

Health plan	Premiums

- 3) If you qualify for Medicare, what are the insurance plan options provided by your school district to supplement Medicare?

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- 4) If you cover a spouse or dependent(s):
  - What will happen to your survivor's coverage in the event of your death?
  - Will the district continue to pay a portion of your survivor's health insurance?

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## Part 2: The application process

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### Three basic steps...

What you need to do...	When, relative to retirement date...
1. <b>Go online</b> to the MTRS website and <b>estimate</b> your benefit, <b>review</b> general issues and <b>download</b> the two-part Retirement Application	6 months before
2. <b>Complete</b> Part 1, gather your required documents, and <b>give</b> Part 2 to your payroll official for completion	5 months before
3. <b>Receive</b> Part 2 from your payroll official and <b>submit</b> your application to MTRS	4 months before

Two important reminders regarding Part 2:

- After you receive the completed Part 2 from your payroll official, carefully review the service and salary data to ensure that you are aware of the information that is being reported to the MTRS, and that it matches your understanding of your history and amounts.
- If your employment in the past five years was covered by an individual contract, be sure that your payroll official and superintendent have not only answered all of the questions regarding your contract(s), but that they have attached all additional documentation—formal or informal—regarding your contracts and salaries.

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### Step 1: Go online... and click Apply for retirement

The screenshot shows the MTRS website with a red octagonal 'STOP' sign graphic. A red circle highlights the 'Apply for retirement' link in the bottom right corner, with a red arrow pointing to it.

Go to [www.mass.gov/mtrs](http://www.mass.gov/mtrs), and under “Quick links to popular pages,” select “**Apply for retirement.**”

This will bring you to...

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### ...Estimate your retirement benefit using the interactive estimator

The screenshot shows the MTRS website with a red circle highlighting the 'Estimate your retirement benefit' link. Below the screenshot, text reads: 'Click “Estimate your retirement benefits” to go to the four-page estimator...'

...the first page of the retirement application process.

Using the buttons at the bottom of the pages, follow the steps to **estimate** your retirement benefit...



## Part 2: The application process

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...Review the common Q&A—it's likely that you'll see your questions asked and answered here



...review our Frequently Asked Questions, and...

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...Download the Retirement Application



...download the Retirement Application.

**Note:** We recommend that you follow all of these steps to get to the page with instructions for downloading the application form, as this will ensure that you are aware of the various issues to consider and the details of the retirement process. Later, if you find that you need to print out another copy of the application, you can access it directly from our Downloadable forms page.

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**Step 2:  
Complete the application**



Please note: If your salary changes **after** you submit your application to the MTRS, report these changes to the MTRS, including:

- retroactive contract settlements,
- stipends not previously reported on your retirement application, and
- unpaid leaves of absence or unpaid sick leave.

**MTRS**  
MASSACHUSETTS TEACHERS'  
RETIREMENT SYSTEM

MAIN OFFICE One Charles Park, Cambridge, MA 02142-1206 ■ 617-679-MTRS (6877) ■ Fax 617-679-1661  
WESTERN REGIONAL OFFICE One Monarch Place, Springfield, MA 01144-4028 ■ 413-784-1711 ■ Fax 413-784-1707

# Retirement Application, Part 1

For superannuation (regular or RetirementPlus) and involuntary termination retirement benefits for members with effective membership dates before April 2, 2012

## PART 1, SECTION 1

### RETIREMENT DATA

Please do NOT delete any pages, and, if you complete your form by hand, please print your responses legibly, in INK.

a) Type of retirement (check one) . . . . .

☐ Superannuation/Regular

☒ Superannuation/RetirementPlus

Reminder: In order to qualify for the RetirementPlus enhanced benefit, you must have at least 30 years of creditable service, at least 20 of which are membership service with the MTRS or the Boston Retirement System as a teacher; and, you must have contributed at the RetirementPlus rate of 11% for at least five years, or have made accelerated payments to meet this contribution requirement.

☐ Involuntary termination

Reminder: If you are applying for a termination retirement, please remember to complete and submit a Termination Retirement Statement and Release along with your completed application. This separate, one-page form is available on our Downloadable forms page on our website.

b) Your intended date of retirement . . mm/dd/yyyy

06/30/2015

Reminder: If you are retiring at the end of the school year in June, by law, you must use June 30 as your retirement date, even if your last day of actual in-school service is earlier in the month.

c) Your last date of employment . . mm/dd/yyyy

06/30/2015

Note: If you are retiring at the end of the school year in June, your last date of employment is June 30, even if your last day of actual in-school service is earlier in the month. If your last date of employment is not June 30, please enter the last date that you were, or will be, on the payroll of your current or last school district, and attach a photocopy of the letter verifying the school district's acceptance of your resignation and your resignation date.

d) Have you also applied for a disability retirement?

☐ Yes

☒ No

## PART 1, SECTION 2

### APPLICANT DATA

a) Social Security number . . . . . XXX-XX-XXXX

123-45-6789

b) MTRS member number, if known . . . . .

999999

☐ Not known

c) Name . . . . . Last

Educator

First

Mary

MI

M.

d) Former/maiden name(s), if applicable . . . . .

Johnson

☐ Not applicable

e) Date of birth . . . . . mm/dd/yyyy

03/14/1956

f) Military veteran status (pursuant to M.G.L. c. 32) .

☒ Nonveteran

☐ Veteran

g) Mailing address . . . . . Number and street

123 Sample Street

City

Sturbridge

State

MA

ZIP

01566

h) Home phone number . . . . .

508-555-5555

i) Alternate phone number, if any . . . . .

617-555-5555

☒ Cell

☐ Work

j) E-mail, if any . . . . .

mary.educator@myhomeemail.net

☒ All marriage certificate(s) and/or proof of name change(s) since birth record (photocopy OK)

☒ Birth certificate (must be certified; photocopy not accepted)

☐ Military discharge form DD214

Form FD091-AAP-1009/2014

## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1	Member's name (First M. Last) <b>Mary M. Educator</b>
Page 2	MTRS member number <b>999999</b>

**PART 1, SECTION 2**

### APPLICANT DATA

Continued

NOTE: If you are currently employed by more than one school district on your date of retirement, please be sure to provide a copy of Part 2 to a payroll administrator in each district for completion.

k) By how many school districts are you currently employed? ☐ None (inactive) ☒ 1 ☐ 2

Name of current school district(s) <b>Sturbridge Public Schools</b>	Position title(s) <b>English Teacher</b>

l) Are you now—or were you at any time on or after January 1, 2010—concurrently employed by more than one Massachusetts town, city, county, state or regional authority? ☒ No ☐ Yes (provide details, below)

Name of other MA public employer(s)	Position title(s)	Full-time	OR % of full-time
		<input type="checkbox"/>	<input type="checkbox"/> %
		<input type="checkbox"/>	<input type="checkbox"/> %

m) If, on your date of retirement, you will be under age 55 and married to a retiree of a Massachusetts contributory retirement system, AND, on November 1, 2003, both you and your current spouse were members of a Massachusetts contributory retirement system, THEN you will be eligible to retire under a superannuation retirement allowance using the age factor for age 55.

Accordingly, on November 1, 2003, were you and your current spouse both members of a Massachusetts contributory retirement system? ☒ No ☐ Yes

If yes, on your intended date of retirement, will your spouse be retired from a Massachusetts contributory retirement system? ☐ No ☐ Yes

If yes, name of spouse's retirement system ..

n) What is your expected marital status on your intended date of retirement? ☐ Single ☐ Single/divorced (see DRO, below)  
☐ Single/widowed ☒ Married (provide details, below)  
☐ Married/formerly divorced (see DRO, below, and provide spouse details, below)

NOTE: Regardless of your expected marital status on your intended date of retirement, you MUST complete Section B, Spousal address/Assignment.

o) Spouse's name, if applicable . . . First M. Last **Joseph J. Educator**

p) Spouse's address, if different Number and street

City  State  ZIP

q) DRO: If you have ever been divorced, do you have a qualified Domestic Relations Order (DRO) in effect? ☒ No ☐ Yes  
If yes, and if it requires you to select a specific retirement option in accordance with the DRO, please be sure to follow the terms of the DRO in selecting your retirement option.

r) **Alternate address:** If you will be residing at an address other than the one listed at line g (for example, a summer or retirement address) during the next several months, please list it below.

Mailing address . . . . . Number and street

City  State  ZIP

Phone number . . . . .

Dates at this address . . . . . mm/dd/yyyy From  To

s) Have you ever been convicted of a criminal offense involving your Massachusetts public employment? ☒ No ☐ Yes Please attach additional sheet(s) to describe the offense.

☒ Marriage certificate(s) (photocopy OK)

☐ Qualified Domestic Relations Order (photocopy OK; please include your ex-spouse's current address)

☐ Additional sheet(s) describing offense

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## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

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Member's name (First M. Last)

Mary M. Educator

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### PART 1, SECTION 3

#### FINAL AVERAGE SALARY PERIOD

- a) Your retirement benefit is calculated according to a set formula that is comprised of three factors: your age, your years of creditable service, and the average of your highest consecutive three years' salaries, **OR your last three years' salaries, whichever is greater.** In the table below, please list the contract year and contract type for each of the following four years:

- Lines i, ii and iii: EITHER the three consecutive years during which you earned your highest salaries OR your last three years, **whichever period during which your total earnings were greater;** and,
- Line iv: the year right before that three-year period.

Additionally, you must submit copies of your salary schedules from your collective bargaining agreement(s) for these four years. Be sure to include any pages referencing contractual language to substantiate any earnings in addition to your regular contract rates. If you were covered by an individual contract during any of these four years, you must submit complete copies of those contracts.

Your final retirement benefit will be based on the salary figures provided by your employer in Part 2, subject to our review and verification.

- ☒ Salary schedule or individual contract
- ☒ Salary schedule or individual contract
- ☒ Salary schedule or individual contract
- ☒ Salary schedule or individual contract

	Contract year		Contract type	
	From mm/dd/yyyy	To mm/dd/yyyy	Collective Bargaining Agreement (teachers, others)	Individual contract (superintendents, principals, others)
i)	09/01/2014	06/30/2015	<input checked="" type="checkbox"/>	<input type="checkbox"/> Also, see below*
ii)	09/01/2013	06/30/2014	<input checked="" type="checkbox"/>	<input type="checkbox"/> Also, see below*
iii)	09/01/2012	06/30/2013	<input checked="" type="checkbox"/>	<input type="checkbox"/> Also, see below*
iv)	09/01/2011	06/30/2012	<input checked="" type="checkbox"/>	<input type="checkbox"/> Also, see below*

\* If you were covered by an individual contract...

- What was the earliest date that your employer had knowledge—formally or informally—of your intent to resign and/or retire? .... mm/yyyy
- Were any of the individual contracts covering your employment for the last five years renegotiated (i.e., the original provisions were changed, and the changes applied retroactively and/or prospectively)? ..... ☐ Yes ☐ No

NOTE: If you were employed under an individual contract at any time during the five years prior to your intended date of retirement, the MTRS will request that your employer provide complete copies of all internal documents (formal and informal), including any minutes of School Committee meetings (open and executive session), pertaining to your contracts, salaries and intent to resign and/or retire.

- b) Has your school district settled its contract for the current year? ..... ☒ Yes ☐ No

If no, please: **be advised** that changes to the current contract rate will impact your retirement allowance; **send** us a copy of the new contract as soon as it is settled, and be sure to include your name and Social Security number with the contract; and, **ask** your payroll officer to send us verification of your new contract rate.

- c) **APPLICANT'S STATEMENT:** I understand that, in the calculation of my final salary average for the purposes of determining my retirement benefit, certain payments are not considered "regular compensation," and, therefore, cannot—and will not—be included. (Examples of payments that are not considered "regular compensation" include any monies received on account of your employer having knowledge of your retirement, or received in lieu of sick leave or unused vacation.)

Applicant's signature

☒ Mary M. Educator

Date

03/1/2015

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## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

Page 4

Member's name (First M. Last)

Mary M. Educator

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999999

### PART 1, SECTION 4

#### CREDITABLE SERVICE HISTORY

Your retirement benefit is based in part on the number of years of creditable service you have, so it is **REQUIRED** that you complete this section **accurately and in full to the best of your ability**. If you have any questions, please refer to our website or call one of our offices.

a) Which of the following **types** of creditable service have you rendered?

**ALL APPLICANTS MUST complete Sections a, b and c IN FULL!**

- ☒ Regular Massachusetts public teaching service ☐ No ☒ Yes
- ☒ Out-of-state public school teaching service ☐ No ☒ Yes
- ☒ Overseas dependent school teaching service (in a school under the supervision of the United States Department of Defense) ☐ No ☐ Yes
- ☒ Nonpublic school teaching service (out-of-state or in Massachusetts) ☐ No ☐ Yes
- ☒ Massachusetts public school substitute, temporary or part-time teaching or tutoring service ☐ No ☒ Yes
- ☒ Other Massachusetts public service (with a Massachusetts town, city, county, state or regional authority) ☐ No ☐ Yes
- ☒ Vocational work experience for licensure/approval in a Massachusetts Ch. 74 vocational program ☐ No ☐ Yes
- ☒ Pre-1975 maternity leave credit ☐ No ☐ Yes
- ☒ Peace Corps service ☐ No ☐ Yes
- ☒ Authorized leave of absence or a sabbatical from a Massachusetts public school [see page 5] ☐ No ☒ Yes
- ☒ Active military service in the armed forces of the United States, Massachusetts National Guard or active reserves [see page 5] ☐ No ☐ Yes

b) Please list **ALL** of your creditable service in chronological order by employer (from earliest to most recent).

To ensure that we have a **complete** picture of your service history—and that you receive the maximum credit to which you are entitled for your eligible service—please include **ALL** of the types and periods of creditable service that you have rendered during your career, including your current employment, and, if any, service which you may have purchased (or be in the process of purchasing) with the MTRS. Please note that you cannot purchase creditable service after your date of retirement.

Name of employer	Position title	Grade (K-12, if applicable)	From mm/dd/yyyy	To mm/dd/yyyy	Employment status (as a % of full-time, e.g., 50%, 100%)	Service credit status (check one)		
						Credited	I plan to purchase	I will not purchase
1 Sturbridge Public Sch	Substitute teacher		04/01/1978	06/30/1978	100 %	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Burlington, VT Pub Sch	Teacher	3	09/01/1978	06/30/1980	100 %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Sturbridge Public Sch	Teacher	10	09/01/1980	06/30/1983	100 %	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Leave of absence			09/01/1983	06/30/1984	%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Sturbridge Public Sch	Teacher	10	09/01/1987	06/30/2015	100 %	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6					%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7					%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8					%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9					%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10					%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you need more space to list your creditable service, please attach additional sheets, and check this box to indicate that additional sheets are attached. ☐

c) Please enter your **best estimate** of your total number of years of creditable service—and then be sure that you have listed **ALL** of the service that you are including in your estimate, in Section b, above. ....

33.4000

years

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## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

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Member's name (First M. Last)

Mary M. Educator

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### PART 1, SECTION 4

#### CREDITABLE SERVICE HISTORY

Continued

d) If you checked "Authorized leave of absence or a sabbatical" in Section a on page 4, please provide the following information. Please note:

- If you had any **involuntary** leaves of absence (for example, as a result of being laid off and placed on a recall list), please do **not** list your involuntary leaves here, as they do not qualify as authorized leaves of absence toward the calculation of your creditable service.
- If you received **Workers' Compensation** during any of your leaves, please do **not** list that information here, but include it in Section e, below.

Name of employer	Position title	From mm/dd/yyyy	To mm/dd/yyyy	Compensation received (check one) No compensation      Partial compensation, and indicate % of full-time compensation paid		
1 Sturbridge Public Sch	Teacher	09/01/1983	06/30/1984	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0%
2				<input type="checkbox"/>	<input type="checkbox"/>	0%
3				<input type="checkbox"/>	<input type="checkbox"/>	0%

e) If you received any payments from Workers' Compensation during the period listed in Section a on page 4, for each period, please report the following:

Period of Workers' Compensation From (mm/dd/yyyy) To (mm/dd/yyyy)		Type of incapacity (Check one) Partial Full		Payments received by you from school district, if any, during this period Your annual salary rate in effect      Payment category (e.g., sick leave)		
		<input type="checkbox"/>	<input type="checkbox"/>			
		<input type="checkbox"/>	<input type="checkbox"/>			

f) If you checked "Active military service" in Section a on page 4, please provide the following information.

Type of military service	From mm/dd/yyyy	To mm/dd/yyyy	Service credit status (check one)		
			Credited	I plan to purchase	I will not purchase
1			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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## Part 2: The application process

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Member's name (First M. Last)

Mary M. Educator

MTRS member number

999999

### PART 1, SECTION 5

#### YOUR FEDERAL TAX WITHHOLDING INSTRUCTIONS TO US

#### Substitute Form W-4P

Withholding certificate for  
pension or annuity payments

Please note:

- **Your MTRS retirement benefit is subject to federal income taxes, and, unless you notify us otherwise, we must begin withholding starting with your first payment.**  
Please use this form to instruct us whether you want us to withhold any amount from your monthly MTRS benefit for federal income taxes, and, if so, how much. Note: If you are a Massachusetts resident, your benefit is not subject to state income taxes; if you move to another state, however, check with that state's Department of Revenue to find out if your MTRS benefit is taxable in that state.
- **You are liable for payment of federal income tax on the taxable portion of your pension.**  
If you elect not to have federal income tax withheld from your monthly benefit or if you do not have a sufficient amount withheld, you may be responsible for payment of estimated taxes. Additionally, if your withholding amount, if any, and/or payments of estimated taxes are not sufficient, you may be subject to tax penalties under the IRS's estimated tax rules.
- **Your tax withholding instructions, if any, will remain in effect until you change them, and you may change your instructions at any time before or during your retirement.**  
To change your withholding instructions, simply complete and submit a new Substitute Form W-4P, available on our website at [www.mass.gov/mtrs](http://www.mass.gov/mtrs), or call us and we will send you a form.
- **If you do not complete this form, the MTRS must withhold federal income taxes as if you are married and claiming three withholding allowances.**  
If the taxable portion of your monthly benefit is more than the withholding level for a married person claiming three allowances, and you do not complete this form, we are required by federal law to withhold at the rate set for a married taxpayer with three allowances.
- **If you need help completing this form, please consult a tax expert or the IRS.**  
For more information on tax withholding, and the complete IRS Form W-4P which includes a step-by-step worksheet, please visit the IRS website at [www.irs.gov](http://www.irs.gov).

Please indicate your federal tax withholding instructions by checking only **ONE** box below:

- ☐ I do **NOT** want any federal income taxes withheld from my monthly benefit.
- ☒ I want federal income taxes withheld from my monthly benefit based on the IRS tax tables and the marital status and number of exemptions claimed below, and I understand that the amount withheld will automatically change if and when the federal tax rates are adjusted (complete a, b and c):
- a) Marital status (check one) . . . . . ☐ Single ☒ Married ☐ Married, but withhold at higher "single" rate
- b) Total number of exemptions claimed . . . . .  (if left blank, zero will be used)
- c) Additional amount to be withheld, if any . . . . .
- ☐ I want federal income taxes withheld from my monthly benefit in the flat amount of . . . . .

Applicant's signature

X Mary M. Educator

Date

03/1/2015

Name . . First M. Last

Mary M. Educator

SSN

123-45-6789

Form FD001-BAP-10092014

## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

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Member's name (First M, Last)

Mary M. Educator

MTRS member number

999999

### PART 1, SECTION 6

#### DIRECT DEPOSIT AUTHORIZATION

Pursuant to 807 CMR 18.00, you must receive your monthly retirement allowance payments by direct deposit to your bank account (also known as an electronic funds transfer, or EFT). Please note:

- In some cases, your **first** retirement payment may be sent to you in the form of a check mailed to your home. We work with the State Treasury to test your electronic funds transfer before your first direct deposit is made and, depending on when in the month your test is processed, there may be a one-month delay in your receiving your payments via direct deposit.
- Direct deposit statements are **not** mailed to you every month. Once your direct deposit starts, you will receive a statement in the mail detailing your monthly benefit and deductions. After this initial statement, you will receive a statement only: when there is a change in the amount of your deposit from the prior month; when we wish to use the message area in the statement stub to notify all retirees of special news; or at the end of December, when we provide you with a year-end summary of your benefits.
- It is necessary that you always keep your address up to date with us, and that you notify us of any changes at least 30 days in advance. This is especially important as direct deposit statements will **not** be forwarded by the post office.
- Pursuant to International Automated Clearing House Transactions (IAT) Rules, you must let us know (in Section c, below) if you are having the entire amount of your monthly benefit payment deposited directly to a U.S. bank and then forwarded to a bank in another country. Additionally, if at any time in the future, the status of your direct deposit changes (in other words, you either start or stop having your payments forwarded to a bank in another country), you must update your information with us by filing a new Direct Deposit Authorization form.

Your payment may be deposited to one account only. Please provide the following information:

a) Name of financial institution .....

Bank of America

b) Type of account (check **ONE** only)



#### CHECKING

You must attach a VOIDed check.



OR



#### SAVINGS

Bank ABA routing number  
(9 digits, usually along the bottom left of deposit slip)

Savings account number (no dashes or spaces)

Your deposit slip may have these numbers, or you can call your bank for the information. Some financial institutions have unique ABA routing and account numbers for electronic payments. To avoid any delay, verify your ABA routing and account numbers with your financial institution before completing this process.

c) **RESPONSE REQUIRED:** Do you intend to have your payments deposited to a U.S. bank and then **forwarded** to a bank in another country? ..... ☒ No ☐ Yes

d) I hereby authorize the electronic funds transfer of my monthly benefit allowance from the State Treasurer to the bank and account designated above. The State Treasurer is also authorized to make any adjustments (debit or credit) as a result of errors in transfer. This authorization shall remain in effect until revoked by me in writing to the MTRS or by the State Treasurer.

Applicant's signature

✕ Mary M. Educator

Date

03/1/2015

Name .. First M, Last

Mary M. Educator

SSN

123-45-6789

Form FD001-RAP-1009/2014

## Part 2: The application process

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### PART 1, SECTION 7

#### YOUR RETIREMENT OPTION SELECTION, STATEMENT AND SIGNATURE

##### IMPORTANT NOTE

If you have ever been **divorced**, and you have a qualified Domestic Relations Order (DRO), and the terms of your DRO specify the retirement option that you must choose, please be sure to complete this section in accordance with your DRO.

☐ Complete Option A month-of-death payment recipient designation (Section 9 on page 10 of this application)

☐ Complete Option B beneficiary designation (Section 10 on page 10 of this application)

☒ Option C beneficiary's birth certificate (must be submitted, and must be certified; photocopy not accepted)

☒ Marriage certificate(s) (photocopy OK)

Please select your retirement Option and provide the required information. Note:

- Be sure that you have reviewed the information on our website or on page iii of this application regarding the benefits provided by each of the three available retirement options. **Please estimate your benefits using either our online estimator or the worksheet included on page iv of this application before you finalize your option selection.**
- Once your effective date of retirement has passed, you cannot change your retirement option, nor can you change your date of retirement. Because of this fact, it is important that you understand the retirement options that are available to you and that you make an informed decision based on your financial needs and the financial needs of your family.
- Please mark your option choice below. Your retirement application is not complete until the MTRS receives this completed section. If your application is completed within 60 days after your date of termination of service, your retirement can take effect on your termination date. If, however, it is received more than 60 days after your date of termination of service, your benefits will not be retroactive to that date; the earliest date they may begin is 15 days after we received your completed application.
- If you have any questions, please contact our office.

I, the undersigned, having applied for retirement from the Massachusetts Teachers' Retirement System, hereby elect to receive my retirement allowance under the option selected below (check one):

##### ☐ Option A

Option A provides the maximum benefit allowance amount, and no survivor benefits. All monthly payments cease upon your death and no benefits will be provided for any survivors. If, after your death, any benefits that you earned in the month of your death are due, they will be paid in a lump sum to the month-of-death payment recipient(s) that you should designate by completing Section 9 on page 10 of this application.

##### ☐ Option B

Option B provides a benefit allowance that is approximately 1 percent less than the Option A allowance. Upon the member's death, it also provides for the lump-sum payment of the remainder of the member's annuity savings account, if any, to the named beneficiary or beneficiaries; in most cases, the annuity will be depleted in 9 to 11 years. You may change your beneficiary designation at any time during your retirement by completing and submitting a new, revised Beneficiary Form—Retired Member/Option B to the MTRS. If you select Option B, you must designate your Option B beneficiary(ies) by completing Section 10 on page 10 of this application.

##### ☒ Option C

Option C provides a benefit allowance that is generally 9 to 11 percent less than the Option A allowance. Upon the member's death, it also provides a monthly survivor benefit to one named beneficiary that is equal to 2/3 of the retiree's monthly benefit at the time of death. If you are selecting Option C, you must designate your Option C beneficiary here:

- Name of Option C beneficiary, First M. Last: Joseph J. Educator
- Beneficiary's date of birth . . . mm/dd/yyyy: 11/05/1957 SSN: 111-11-1111
- Relationship to you . . . . . ☐ Parent ☐ Sibling ☐ Child ☒ Spouse  
☐ Former spouse who has not remarried

You may not change your Option C beneficiary designation after your effective date of retirement. In the event that your Option C beneficiary predeceases you, contact the MTRS so that we may adjust your benefit to the higher, Option A "pop-up" amount.

I have selected the option checked above and understand that I cannot change my option selection after my effective date of retirement. Additionally, I understand that if I have not filed my application four months prior to my effective date of retirement, I may not receive my Notice of Estimated Retirement Benefit (NERB) until AFTER my date of retirement, and regardless of when I receive my NERB, I cannot change my option selection after my effective date of retirement.

Applicant's signature

X Mary M. Educator

Date

03/1/2015

Name (please print)

Mary M. Educator

SSN

123-45-6789

Form F0001-RAP-1009/2014

NOTE: Even if you do not expect to be married on your intended date of retirement, you MUST also complete Section 8, Spousal acknowledgment.



## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

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Member's name (First M. Last)

Mary M. Educator

MTRS member number

999999

### PART 1, SECTION 8

#### SPOUSAL ACKNOWLEDGMENT

You **MUST** complete Section a, below, and then, if applicable, your spouse must complete section b. If your spouse's whereabouts are unknown, you must complete a notarized affidavit (available upon request from the MTRS's main office), including your spouse's last known address.

a) I, the undersigned, having applied for retirement from the Massachusetts Teachers' Retirement System, have elected to receive my retirement allowance under the option selected in the previous section. I hereby certify that (check all that apply):



I am now married or expect to be married as of my intended date of retirement as stated in this application. Please sign and date this section, then give this form to your spouse for completion of section b.



I have been divorced and it is my understanding that there ☐ is ☐ is not ☐ don't know a Domestic Relations Order on file with the MTRS. Please sign and date this section, then return your entire application to the MTRS.



I am NOT currently married and do not expect to be married as of my intended date of retirement as stated in this application. Please sign and date this section, then return your entire application to the MTRS.



#### NOTE:

**ALL** applicants must sign and complete this section!

I subscribe under the penalties of perjury that the above information is true, complete and correct to the best of my knowledge.

Applicant's signature

✕ Mary M. Educator

Date\*

03/1/2015

Name (please print)

Mary M. Educator

SSN

123-45-6789

b) As the spouse of a member who is retiring from the MTRS, you are entitled to both notification and explanation of the retirement option selected by the member. You must sign Section b before one witness; **the member named in Section a, above, cannot be your witness.** The witness must sign and date the form on the same day that you do; it is not necessary that your witness be a Notary Public. Before completing this section, please see which retirement option your spouse has chosen in the previous section, and then read the explanations of the available retirement options as provided under "Benefit estimates," above, as well as on pages ii and iv of this application and on our website at [mass.gov/mtrs](http://mass.gov/mtrs). Please be sure that you have read and understand the various provisions of the option selected by your spouse, specifically, the benefits to which you may or may not be entitled to upon his or her death. If you have any questions, do not hesitate to contact the MTRS for an explanation.

If you fail to sign this Spousal acknowledgment, the MTRS will notify you within fifteen (15) days by registered mail of the option selected by your spouse and your right to sign and return the spousal acknowledgment within thirty (30) days. Failure to sign and return the Spousal Acknowledgment to the Massachusetts Teachers' Retirement System within 30 days will result in your spouse's selection becoming effective without your signature.

I, the undersigned, am the spouse of the member named in Section a, above, who has applied for retirement from the Massachusetts Teachers' Retirement System. I hereby certify under the penalties of perjury that:

■ I have read and understand the information on Options A, B and C, and

■ I am aware of the option selected by the applicant and understand the provisions of that option.

Spouse's signature

✕ Joseph J. Educator

Date\*

03/1/2015

Name (please print)

Joseph J. Educator

SSN

111-11-1111

**WITNESS TO SPOUSE'S SIGNATURE** (must be witnessed by someone other than the member)

I subscribe under the penalties of perjury that the member's spouse (the person named immediately above) personally appeared before me and signed this form in my presence.

Witness's signature

✕ Wilma A. Witness

Date\*

03/1/2015

Name (please print)

Wilma A. Witness

Address . . . . .

5 Any Street, Sturbridge, MA 01566

\* This section must be completed and signed **ON OR AFTER** the date that the member completed and signed Part 1, Section 7 (page 8).



If your spouse and/or witness sign this section **before** the date that the member signed Part 1, Section 7, we will return the application to the member to have this page completed and signed again.

Form FD001-RAP-10092014

## Part 2: The application process

MTRS RETIREMENT APPLICATION, PART 1

Member's name (First M. Last)

Mary M. Educator

Page 10

MTRS member number

999999

### PART 1, SECTION 9 You should complete this section if you have selected **Option A** only.

#### OPTION A MONTH-OF-DEATH PAYMENT RECIPIENT(S)

Option A provides no survivor benefits. However, after your death, if any benefits that you earned in the month of your death have not been paid out, they will be paid in a lump sum to your month-of-death payment recipient(s). Please name the designee(s) to receive the lump-sum payment of any benefits that you earn in the month of your death below. Please see the shaded box at bottom of this page for additional information.

Type (check one)	SSN or tax ID	% of payment
<input type="checkbox"/> Person		%
Date of birth	Name	
Relationship to you	Address	
<input type="checkbox"/> Trust or organization		
<input type="checkbox"/> Person		%
Date of birth	Name	
Relationship to you	Address	
<input type="checkbox"/> Trust or organization		

Total sum of percentages listed for all PRIMARY Option A month-of-death payment recipients must equal 100%

### PART 1, SECTION 10 You must complete this section if you have selected **Option B** only.

#### OPTION B BENEFICIARY DESIGNATION

Option B provides a benefit allowance that is approximately 1 percent less than the Option A allowance. Upon your death, it also provides for the lump-sum payment of the remainder of the member's annuity savings account, if any, to the named beneficiary(ies); in most cases, the annuity will be depleted within 9 to 11 years. Please see the shaded box at bottom of this page for additional information.

Type (check one)	SSN or tax ID	% of benefit
<input type="checkbox"/> Person		%
Date of birth	Name	
Relationship to you	Address	
<input type="checkbox"/> Trust or organization		
<input type="checkbox"/> Person		%
Date of birth	Name	
Relationship to you	Address	
<input type="checkbox"/> Trust or organization		

Total sum of percentages listed for all PRIMARY Option B beneficiaries must equal 100%

#### Option A and B retirees ONLY: Additional information and optional contingent designee(s)

- You may change your designation at any time during your retirement; simply complete and submit a Beneficiary Designation form for retirees.
- You may name more than one person or entity. If you do name more than one primary designee, however, please be sure to indicate the percentage that each primary entity should receive (the total must equal 100%). If you fail to indicate a percentage, we will distribute the amount equally among the primary entities. If the total does not equal 100%, the difference will be paid to your estate.
- If you need more space to indicate additional entities, please make a photocopy of this page, complete the appropriate line(s), sign each additional sheet, and, in this box, indicate how many additional sheet(s) are attached. ☐

**OPTIONAL—CONTINGENT DESIGNEE(S):** If you wish, you may also name contingent designee(s). In the event that the primary designee(s) named above are not alive at the time of your death, any benefit amount due will be paid to your contingent designee(s). If any of your primary designees predecease you, they are replaced by a contingent designee, in the order in which you name them, below (the remaining primary beneficiaries' shares do not increase if one of them predeceases you, nor is that share equally split among the multiple contingent beneficiaries). If there is no contingent beneficiary who is presently living, that share is paid to your estate.

Type (check one)	SSN or tax ID
<input type="checkbox"/> Person	
Date of birth	Name
Relationship to you	Address
<input type="checkbox"/> Trust or organization	

Form FD001-0AP-10092014



MAIN OFFICE One Charles Park, Cambridge, MA 02142-1206 ■ 617-679-MTRS (6877) ■ Fax 617-679-1661  
WESTERN REGIONAL OFFICE One Monarch Place, Springfield, MA 01144-4028 ■ 413-784-1711 ■ Fax 413-784-1707

## Retirement Application, Part 2

For superannuation (regular or RetirementPlus) and involuntary termination retirement benefits

### PART 2, SECTION 1

#### SERVICE AND SALARY DATA

**Instructions to member:**  
Please provide your personal data and then forward these five pages to your payroll officer for completion of Sections 2 through 7.

Your payroll officer will then return these five pages to you for forwarding to the MTRS along with Part 1, pages 1 through 10.

**NOTE:** If you are employed by more than one school district on your intended date of retirement, please make additional copies of these five pages and have them completed by a payroll administrator in each of the districts in which you are employed.

a) Name of member ..... Last  First  MB

b) Social Security number ..... XXX-XX-XXXX

c) MTRS member number .....

d) Type of retirement (check one): ..... ☐ Superannuation/Regular ☒ Superannuation/RetirementPlus ☐ Involuntary termination

e) Intended date of retirement ... mm/dd/yyyy

f) Name of school district: .....

**INSTRUCTIONS TO PAYROLL OFFICER:** Please follow these steps:

- Complete Sections 2 through 7, below, and make a copy of these five pages for your records.
- If, at some later date, there is a change in the salaries reported in Section 5—either because of a retroactive contract settlement or error—please mark the corrections directly on a copy of this sheet, initial and date any changes and send the copy to the MTRS. If the changes resulted from a contract settlement, please forward a copy of the relevant contract language along with the corrected pages. Likewise, if the change in salaries reported in Section 5 results in a change in the current deductions listed in Section 4, please indicate, initial and date that change too.
- Return these five pages (Sections 1 through 7) to the member. It is then the member's responsibility to submit his or her entire Retirement Application to the MTRS three to four months prior to his or her effective date of retirement.

Your assistance in expediting the completion of these pages will be most appreciated!

### PART 2, SECTION 2

#### SERVICE VERIFICATION

Please report this member's entire service history with your school department (in other words, not just for the last three years). Please indicate whether service was rendered on a full-time or part-time basis; if service was rendered on a part-time basis, please also indicate it as a percentage of full-time. If necessary, please attach additional sheets to report this service.

From (mm/dd/yyyy)	To (mm/dd/yyyy)	Full-time	OR	Part-time, and indicate % of full-time
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>

During any period of service above, ☐ No ☐ Yes; from  to

For the service reported above, please report any authorized leaves of absence when no compensation or partial compensation was received. **NOTE:** Please do not list here: any involuntary leaves of absence (e.g., as a result of the member being laid off and placed on a recall list) as they do not qualify as authorized leaves of absence; or, any periods during which Workers' Compensation was received (please list that information in Part 2, Section 6).

From (mm/dd/yyyy)	To (mm/dd/yyyy)	No compensation	OR	Partial compensation, and indicate % of full-compensation
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=" %"/>



## Part 2: The application process



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### Step 3: Submit your application

- **Receive** and **REVIEW** completed Part 2 from your payroll official
- **Attach ALL** required documents
- **Make** a copy of everything for your records
- **Submit BOTH** Part 1 and Part 2 together to the MTRS (eastern MA, Cambridge office; western MA, Springfield office)
- MTRS will review your application and send you a letter to acknowledge it as received, and either **complete** or **incomplete**, with a request for the missing documentation

Remember, **ALL** service purchases must be paid for **BEFORE** your date of retirement. Late payments will **DELAY** your date of retirement—and because retirement benefits are retroactive only to your date of retirement, **late payments will cause you to lose money!**



Since it may take time for you and your prior employers to gather documentation of your past service, we strongly encourage you to start the service purchase process early—please don't wait until the last minute!

We advise you to file your retirement application four months before your retirement date. However, by law, you may file your application up to 60 days after your effective date of separation from service and still use the date of separation as your retirement date.

⚠ If you file your application more than 60 days after your date of separation from service, your retirement date—and your benefits—will **NOT** be retroactive to your resignation date. In this case, the earliest effective date of retirement you may use will be 15 days *after* the date we receive your signed application. For example, if you decide during summer vacation that you want to retire instead of returning to the classroom in the fall, you must file your completed application on or before August 29 to use June 30 as your retirement date and have your benefits be retroactive to June 30. If you file your application on August 30, your earliest retirement date would be September 14, and you would lose two and a half months' worth of retirement benefits (from July 1 through September 14).

⚠ If you are retiring on your **birthday**, use that exact day as your date of retirement, **not** the day after.

**For information on choosing your retirement date, please see page 33.**



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### Application complete? We will process it

- Applications processed on a "first-come, first-served" basis
- We may need to contact your school department for additional information; we will notify you if this causes a delay
- Please note: Calculations may take up to four months to complete
- When your benefit calculations are complete, we will send your *Notice of Estimated Retirement Benefit* (NERB) and info about when you will receive your first payment

Your *Notice of Estimated Retirement Benefit* will include:

- the components of the retirement formula used to calculate your benefit amount, including your number of years of creditable service, your three-year salary average and, if you selected Option C, information on your beneficiary;
- your monthly and annual retirement benefit amounts; and,
- if you selected:
  - Option B, your estimated annuity balance "spend-down" period (i.e., the estimated number of years after which your annuity balance will be zero and no benefit will be payable to your beneficiary upon your death).
  - Option C, the amount of your survivor benefit.


## Part 2: The application process



Part 2: The application process 45

**Generally, at the end of the first full month after you receive your NERB, receive your first retirement payment**

- Regardless of when your first payment is issued, all payments are **retroactive** to your date of retirement (provided you have filed your application before your date of retirement or within 60 days after your date of separation from service)
- Note that even though you must receive your payments via direct deposit, your first payment **may** be sent as a mailed check (only when standard testing of the electronic funds transfer process with your bank cannot be completed before our monthly payment processing date)


 **REMINDER: ALL service purchases must be paid for in full BEFORE your effective date of retirement. LATE PAYMENTS WILL DELAY YOUR DATE OF RETIREMENT—and because retirement benefits are retroactive only to your date of retirement, late payments will cause you to lose money!**

■ Even if you file your retirement application four months before your date of retirement, the earliest that your first retirement payment may be issued is at the end of the first full month *after* your retirement date.

■ You can generally plan on receiving your:

- *Notice of Estimated Retirement Benefit (NERB)* about three to four months after you file your retirement application, and
- **first retirement benefit payment** *either* at the end of the first full month *after* you receive your NERB, *or* at the end of the first full month *after* your date of retirement, whichever is later.

For example, if you wish to retire on June 30, and you file your application by March 1, depending on how quickly we are able to process your application, you may receive your NERB any time between mid-April and mid-June. However, because the earliest you may receive your first payment is at the end of the first full month *after* your retirement date, even if we send you your NERB before June, the earliest you may receive your first payment is July 31. Be assured that all first checks are paid retroactive to your effective date of retirement.



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**A note about direct deposit...**  
(also known as Electronic Funds Transfer)

- Direct deposit of your retirement allowance is mandatory
- Your monthly retirement allowance is transferred to your bank account on the last business day of each month
- You will only receive a monthly statement...
  - when there is a change to the amount of your retirement allowance
  - when the MTRS needs to notify all retirees of an announcement
  - every December (year-end summary)

■ Retirement checks are issued at the end of each month and represent payment for the *previous* month. For example, the payment that you receive at the end of January is the payment **for** January.

■ When you do get a direct deposit statement from us, please be sure to review the “message area” for news and updates!

■ Even though you will receive your payments via direct deposit, it is vital that you keep your address current with us, to ensure that you continue to receive important mailings—such as your 1099-R tax form and Benefit Verification form—from us.



Part 3: Other retirement issues 48

### Post-retirement employment

There are **no limits** on the following:

- Employment in the private sector
- Employment in another state—public or private
- Employment within the federal government
- Volunteering

- These limitations apply to post-retirement employment with a Massachusetts public employer. In other words, if you render service to a Massachusetts city, town, county or the Commonwealth, the limitations will apply.
- The work that you perform does not necessarily have to meet the requirements for membership in a Massachusetts contributory retirement system; these limitations apply if you work as a “leased employee” or if you receive *any* check issued by a public employer in Massachusetts, including work as a consultant.



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### Post-retirement employment

General time and earnings limitations on re-employment in the **MA public sector...**

- **If returning to same employer from which you retired:** Must be separated from service for 60 days before returning (waived if retiring at age 62 or at 80% maximum benefit)
- **Time:** Service cannot exceed **960 hours** in a calendar year
- **Earnings:** Post-retirement earnings **cannot exceed** the difference between the current salary of the position from which you retired, and the amount of your annual pension; after retired for one full January–December calendar year, limit increased by \$15,000

- If you are returning to work for a Massachusetts public employer—but not the same employer from which you retired—then the 60-day separation from service requirement does **not** apply.



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### Post-retirement employment

#### An example of earnings restrictions

Mary Educator retires June 30, 2015 from a position that paid \$65,000 per year

School year 2015–16 salary* for Mary's former position	\$67,000
- Mary's annual gross MTRS pension	- \$42,195
Mary's allowable earnings for the rest of calendar year 2015	\$24,805

Beginning **January 1, 2017**, Mary may earn an additional \$15,000 per calendar year

\* "Salary" includes earnings such as regular longevity, coaching and contracted stipends. It does not include annuity/insurance premiums or other fringe benefits.

- For additional information, as well as the link to PERAC's interactive “Post-Retirement Earnings Worksheet” that you and your employer can use to determine and understand your specific restrictions, see our web page on working after retirement, at [mass.gov/mtrs](http://mass.gov/mtrs).
- Please note that, for the purpose of determining your post-retirement employment earnings limit, “earnings” does not necessarily equal “salary” as used here. “Earnings” is a broader term, and, while life and disability insurance premiums, annuities and fringe benefits are not considered “regular compensation” (or “salary,” as used here), they **are** “earnings” and count toward your post-retirement employment limitation.



## Part 3: Other retirement issues



Part 3: Other retirement issues 51

### Post-retirement employment

Different rules in the event of an ESE-approved "critical shortage":

- RetirementPlus retirees must wait two years to be eligible
- School district must apply to the ESE to obtain a one-year "waiver" for a specific position
- If above are met, the retiree may work without earnings limitation for the duration of the critical shortage "waiver"

- The earnings limitations on re-employment of retirees in the Massachusetts public schools may be eased if the Department of Elementary and Secondary Education (ESE) determines there is a "critical shortage" in a particular position. The ESE has adopted regulation 603 CMR 7.14(13)(b), allowing the Commissioner of Elementary and Secondary Education to deem that a district has a critical shortage upon the request of a superintendent and demonstration that the district has made a good-faith effort to hire non-retirees and has been unable to find them. The critical shortage application process is similar to that for requesting a waiver for certification.
- The ESE will send a written notice of its decision on the critical shortage application both to the school district and the person it wishes to hire. Accordingly, please do not assume that you are working under a critical shortage waiver unless you have received a copy of the approval from the ESE.


Restrictions on working after retirement	When NO critical shortage	When a critical shortage IS declared by ESE									
	ALL MTRS Retirees	Retirees under Regular formula	Retirees under RetirementPlus								
1) <b>Time limitation:</b> 960 hours in a calendar year.	Applies	Waived	Waived								
2) <b>Earnings limitation</b> (for superannuation retirees): On a calendar year basis, a rehired retiree’s post-retirement earnings cannot exceed the difference between the salary being paid for the position from which the member retired, and the amount of his or her annual pension. After the member has been retired for at least one full calendar year (one full January-through-December year), this earnings limit is increased by \$15,000.  For example:  <table><tr><td><b>Date of retirement</b></td><td><b>Date eligible to earn additional \$15,000</b></td></tr><tr><td>1/1/2014 – 12/31/2014</td><td>1/1/2016</td></tr><tr><td>1/1/2015 – 12/31/2015</td><td>1/1/2017</td></tr><tr><td>1/1/2016 – 12/31/2016</td><td>1/1/2018</td></tr></table>	<b>Date of retirement</b>	<b>Date eligible to earn additional \$15,000</b>	1/1/2014 – 12/31/2014	1/1/2016	1/1/2015 – 12/31/2015	1/1/2017	1/1/2016 – 12/31/2016	1/1/2018	Applies	Waived	Applies for first two years of member’s retirement; waived thereafter
<b>Date of retirement</b>	<b>Date eligible to earn additional \$15,000</b>										
1/1/2014 – 12/31/2014	1/1/2016										
1/1/2015 – 12/31/2015	1/1/2017										
1/1/2016 – 12/31/2016	1/1/2018										
3) <b>Separation from service:</b> If returning to same employer from which the member retired, 60 days. <i>Exception:</i> Presently, this particular restriction does <b>not</b> apply if the member retired <i>either</i> at age 62 or older <i>or</i> at the maximum benefit amount of 80 percent of his or her three-year salary average.	Applies	Applies	Applies								

### How is the "salary being paid" for the position from which I retired determined?

If, in the position from which you retired, you:

- **were** covered by a collective bargaining agreement, the "salary being paid" is the current annual contract rate for your step and education level on the salary schedule.
- **were not** covered by a collective bargaining agreement (e.g., you were an administrator or other educator covered by an individual contract), then the "salary being paid" is your last annual salary prior to retirement plus an inflation factor equal to the Consumer Price Index (CPI-W) as certified by the Commissioner of Social Security, unless you can provide sufficient evidence for the MTRS to reliably determine what you would have earned in a year after your retirement. An example of sufficient evidence would be a written, contemporaneous policy showing that the class of employees of which you would have been a member had you not retired, would all receive the same raise in a given year.

NOTE: "Salary" includes earnings such as regular longevity, coaching and contracted stipends. It does not include annuity/insurance premiums or other fringe benefits.



Part 3: Other retirement issues 52

### Post-retirement employment

Additional precautions...

- Service rendered as a "consultant" or a "leased employee" to a MA public school or agency is subject to the service and earnings restrictions
- You may elect to waive or "freeze" your benefit if you are approaching your earnings or service limits
- If you exceed the allowable limits, the MTRS or your employer must recover all excess earnings from you

For additional information, as well as the link to PERAC's interactive "Post-Retirement Earnings Worksheet" that you and your employer can use to determine and understand your specific restrictions, see our web page on working after retirement.


### Waiving or "freezing" your retirement benefit

- You may elect to waive or "freeze" your benefit if you are approaching your earnings or service limits. If you exceed the allowable limits, the MTRS or your employer must recover all excess earnings from you.
- Please note that, if you retire, then go back to work for a Massachusetts public employer and waive your retirement benefits while you are working, you cannot later have your retirement allowance reinstated for 960 hours during a calendar year. The law does not permit retirees who waive their retirement benefits and then accept public employment to supplement their incomes by the device of reinstating their retirement allowances for the 960-hour period during each calendar year. [Opinion of the Attorney General, Feb. 2, 1979.]

### "Unretiring" and reinstating as an active member

- Effective July 1, 2004, members of the MTRS (and the other Massachusetts contributory retirement systems) who retired under superannuation or termination retirement were allowed to reinstate as active members of the MTRS.
- In other words, retired members who agree to certain terms and conditions, can return to active membership in the MTRS and, in effect, "unretire." Under this provision, the retiree must pay back to the retirement system the total pension benefits received while retired, plus interest at one-half of the actuarial assumed rate of 8.00%, or 4.00%. Additionally, the retiree must be employed in a full-time position subject to membership in the MTRS, for at least five full years from his or her reinstatement date, in order to accrue additional retirement benefits.

- Your "after-tax" amount includes your contributions prior to 1988, plus any "after-tax" payments made to purchase prior service.
- If you move to another state after retirement, your allowance may be subject to that state's income taxes. It is advisable to check with the other state's department of revenue, or the Massachusetts Department of Revenue ([mass.gov/dor/pensioninfo](http://mass.gov/dor/pensioninfo)).
- **If you retire before age 59-1/2:** Please note that in the year that you turn age 59-1/2, we will send you **two** 1099-R tax forms, as the IRS requires that we identify and distinguish between payments that are made to you when you are *under* age 59-1/2, and payments that are made to you when you are *over* age 59-1/2.
- **The Benefit Verification process:** As required by PERAC (the Public Employee Retirement Administration Commission), you are periodically required to provide proof that you remain eligible (i.e., alive) to receive your retirement benefits. At least once every two years, we conduct our Benefit Verification process, which is designed to prevent pension fraud and ensure that your benefits are being paid to the rightful and living recipient. We will send you a Benefit Verification form, which you must complete, have notarized, and return in order to continue to receive your benefits.



Part 3: Other retirement issues 53

### Taxation of your benefit

- Your retirement allowance is **not** subject to Massachusetts state income tax; it is federally taxable
- Many of you will have slightly reduced "taxable" earnings each year because of "post-tax" dollars in your annuity savings account at the time of your retirement
- If you intend to move out of state, check with the Department of Revenue in that state to determine if your retirement allowance is subject to state income tax
- By January 31st of each year, we will mail you a 1099-R tax form (the retiree version of your W-2 form)
- Every other year, the MTRS will send you a Benefit Verification Form to prevent pension fraud; your notarized signature is required



Part 3: Other retirement issues 54

### Social Security: Two "double-dipping" laws

If you are eligible for Social Security benefits based on your...

- **Own employment earnings:**  
Windfall Elimination Provision (WEP)
  - Exempt from WEP if you were eligible to retire from the MTRS prior to 1/1/86
- **Spouse's employment earnings:**  
Government Pension Offset (GPO)
  - Exempt from GPO if you were eligible to retire prior to 12/1/82

See Appendix F of program guide (page 38)

- For additional information, please visit [www.socialsecurity.gov](http://www.socialsecurity.gov).
- While the reductions under Social Security's two "double-dipping" laws apply to *retirees* of Massachusetts public pension systems who also receive Social Security benefits, these reductions do **not** apply to the *survivor beneficiaries* of public retirees.

For example, Mary Educator retired under Option C and named her spouse, Joe, as her beneficiary. Joe is also retired and is receiving Social Security benefits based on his own employment earnings. Upon Mary's death, Joe will begin receiving Mary's MTRS Option C survivor benefits, and his Social Security benefits will not be reduced.

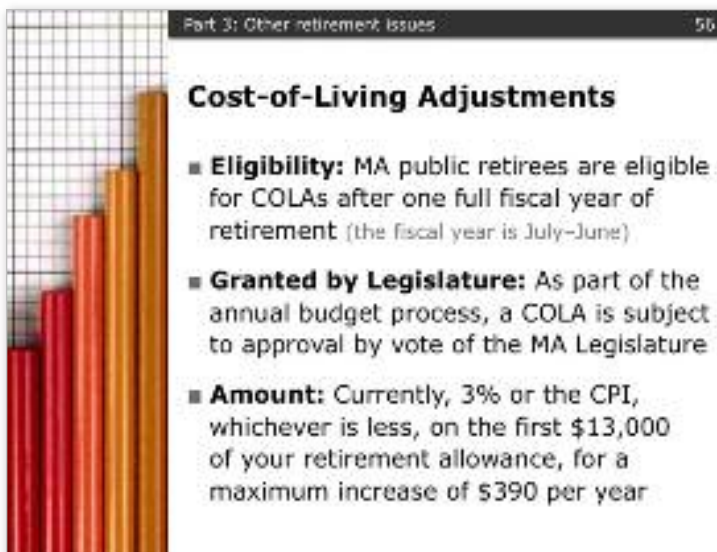


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### Social Security

- Even if you are subject to the WEP or GPO, you may still qualify for Medicare either on your own or through your spouse
- For more information, please visit [www.medicare.gov](http://www.medicare.gov)

- If you receive Social Security benefits in addition to your MTRS retirement allowance, and you are subject to either the WEP or GPO, you may be required to report cost-of-living adjustments (COLAs) to your MTRS pension to the Social Security Administration.
- Remember: Avoid penalties—**BEFORE your 65th birthday**, contact the SSA to determine your eligibility for Medicare and when you need to apply for Part B.



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### Cost-of-Living Adjustments

- **Eligibility:** MA public retirees are eligible for COLAs after one full fiscal year of retirement (the fiscal year is July–June)
- **Granted by Legislature:** As part of the annual budget process, a COLA is subject to approval by vote of the MA Legislature
- **Amount:** Currently, 3% of the CPI, whichever is less, on the first \$13,000 of your retirement allowance, for a maximum increase of \$390 per year

- Retirees are eligible to receive a COLA after one full fiscal year of retirement. For example, if you retire on June 30, 2015, you will not be eligible to receive a COLA until July 1, 2016 (in other words, *after* the 2016 fiscal year, which runs from July 1, 2015 through June 30, 2016). For additional information and an example of how your date of retirement affects your eligibility for your first COLA—and what that means—please see page 33.
- The Board continues to support an increase in the cost-of-living adjustment (COLA) base while securing the purchasing power protection of our retired members, and establishing an employee pension contribution rate that is reflective of the retirement benefits earned by our members.



## Notes

[illegible]

# The “Retirement percentage” chart: Membership Tier 1

For members with effective membership dates before April 2, 2012

A comparison of the percentage of salary average allowed under the regular and RetirementPlus formulas, by service and age

To be eligible for regular retirement (also known as *superannuation* retirement) under either the “regular” formula, or, if you are participating in RetirementPlus, the enhanced RetirementPlus benefit, you must meet the corresponding eligibility requirements:

- **“Regular” formula:** You must **EITHER** have 20 or more years of creditable service at any age, **OR** be age 55 with 10 or more years of creditable service.
- **RetirementPlus formula:** You must have 30 or more years of creditable service, at least 20 of which are membership service with the MTRS or the Boston Retirement System as a teacher; there is no minimum age requirement. If you *elected* to participate in RetirementPlus, but then do not meet either the 20-year “teaching” or the 30-year total service requirement by your date of retirement, you will receive a retirement benefit calculated under the regular formula and a refund of your RetirementPlus contributions, plus regular interest.

			AGE AT RETIREMENT																								
		Formula	R+ % increase	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+				
YEARS OF SERVICE *	25	Regular	—	15.0	17.5	20.0	22.5	25.0	27.5	30.0	32.5	35.0	37.5	40.0	42.5	45.0	47.5	50.0	52.5	55.0	57.5	60.0	62.5				
	26	Regular	—	15.6	18.2	20.8	23.4	26.0	28.6	31.2	33.8	36.4	39.0	41.6	44.2	46.8	49.4	52.0	54.6	57.2	59.8	62.4	65.0				
	27	Regular	—		18.9	21.6	24.3	27.0	29.7	32.4	35.1	37.8	40.5	43.2	45.9	48.6	51.3	54.0	56.7	59.4	62.1	64.8	67.5				
	28	Regular	—			22.4	25.2	28.0	30.8	33.6	36.4	39.2	42.0	44.8	47.6	50.4	53.2	56.0	58.8	61.6	64.4	67.2	70.0				
	29	Regular	—				26.1	29.0	31.9	34.8	37.7	40.6	43.5	46.4	49.3	52.2	55.1	58.0	60.9	63.8	66.7	69.6	72.5				
	30	Regular	—					30.0	33.0	36.0	39.0	42.0	45.0	48.0	51.0	54.0	57.0	60.0	63.0	66.0	69.0	72.0	75.0				
		R+	12%					42.0	45.0	48.0	51.0	54.0	57.0	60.0	63.0	66.0	69.0	72.0	75.0	78.0	80.0	80.0	80.0				
	31	Regular	—						34.1	37.2	40.3	43.4	46.5	49.6	52.7	55.8	58.9	62.0	65.1	68.2	71.3	74.4	77.5				
		R+	14%						48.1	51.2	54.3	57.4	60.5	63.6	66.7	69.8	72.9	76.0	79.1	80.0	80.0	80.0	80.0				
	32	Regular	—							38.4	41.6	44.8	48.0	51.2	54.4	57.6	60.8	64.0	67.2	70.4	73.6	76.8	80.0				
		R+	16%							54.4	57.6	60.8	64.0	67.2	70.4	73.6	76.8	80.0	80.0	80.0	80.0	80.0	80.0				
	33	Regular	—								42.9	46.2	49.5	52.8	56.1	59.4	62.7	66.0	69.3	72.6	75.9	79.2	80.0				
		R+	18%								60.9	64.2	67.5	70.8	74.1	77.4	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	34	Regular	—									47.6	51.0	54.4	57.8	61.2	64.6	68.0	71.4	74.8	78.2	80.0	80.0				
		R+	20%									67.6	71.0	74.4	77.8	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	35	Regular	—										52.5	56.0	59.5	63.0	66.5	70.0	73.5	77.0	80.0	80.0	80.0				
		R+	22%										74.5	78.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	36	Regular	—											57.6	61.2	64.8	68.4	72.0	75.6	79.2	80.0	80.0	80.0				
		R+	24%											80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	37	Regular	—												62.9	66.6	70.3	74.0	77.7	80.0	80.0	80.0	80.0				
		R+	26%												80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	38	Regular	—													68.4	72.2	76.0	79.8	80.0	80.0	80.0	80.0				
		R+	28%													80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	39	Regular	—														74.1	78.0	80.0	80.0	80.0	80.0	80.0				
		R+	30%														80.0	80.0	80.0	80.0	80.0	80.0	80.0				
	40	Regular	—															80.0	80.0	80.0	80.0	80.0	80.0				
		R+	32%															80.0	80.0	80.0	80.0	80.0	80.0				

## RetirementPlus vs. regular formula

□ NO DIFFERENCE

■ MAXIMUM DIFFERENCE:  
Member receives full amount of RetirementPlus % increase

■ LESSER DIFFERENCE:  
Member receives only that amount of RetirementPlus % increase needed to reach 80% salary maximum

\* **Two notes on “years of service”:** For the purposes of determining your:

- 1) **“RetirementPlus % increase,”** only **whole** years of creditable service will be counted (the amount is not rounded up). For example, if you have 32.9 years of creditable service, your “RetirementPlus % increase” is based on 32 years of creditable service, or 16%.
- 2) **Percentage of allowable salary average,** your **full years and full months** of creditable service will be counted. For example, Jane Educator is a teacher on a 10-month contract, and is retiring mid-year, on March 10. At that time, she will have 32 years, 6 months and 10 days of creditable service—or 32.6549 years of creditable service. The amount of creditable service that will be used to calculate Jane’s allowable percentage of salary average is 32.6 years. (Because the first decimal place represents full months, and the last three decimal places represent only partial months, the last three decimal places will not be included in Jane’s final benefit calculation.)

## Overview of retirement Options A, B and C, tables and factors, and benefit estimate worksheet

### Overview of retirement Options A, B and C

The Massachusetts Retirement Law (M.G.L. c. 32) regulates your retirement allowance and allows you to choose one of three benefit options. These options differ with regard to the amount paid and whether any benefits will be paid to someone else after your death.

Option	Monthly benefit amount	Survivor benefit
<b>A</b>	Maximum allowance	None; all allowance payments cease upon your death and no benefits will be provided for any survivors.
<b>B</b>	Approximately 1% less than Option A amount	One-time, lump-sum payment of balance, if any, remaining in member's annuity savings account <i>Note: There are no restrictions on who or how many individuals or entities may be named as beneficiary. In most cases, the annuity will be depleted in 10 to 12 years.</i>
<b>C</b>	Approximately 9–11% less than Option A amount	Monthly benefit (2/3rds) paid to a survivor <i>Note: Beneficiary must be the member's parent, child, sibling, spouse or former spouse who has not remarried.</i>

### Option A age factor table

Your age on your retirement date	Your Membership Tier	
	Tier 1 <i>Established membership before 4/2/2012</i>	Tier 2 <i>Established membership on or after 4/2/2012</i>  With less than 30 years of creditable service      With 30 years or more of creditable service
41	0.001	Tier 2 members are not eligible to retire until age 60
42	0.002	
43	0.003	
44	0.004	
45	0.005	
46	0.006	
47	0.007	
48	0.008	
49	0.009	
50	0.010	
51	0.011	
52	0.012	
53	0.013	
54	0.014	
55	0.015	
56	0.016	
57	0.017	
58	0.018	
59	0.019	
60	0.020	0.0145      0.01625
61	0.021	0.0160      0.01750
62	0.022	0.0175      0.01875
63	0.023	0.0190      0.02000
64	0.024	0.0205      0.02125
65	0.025	0.0220      0.02250
66	0.025	0.0235      0.02375
67+	0.025	0.0250      0.02500

### RetirementPlus percentage table

If you are participating in RetirementPlus, add the percentage that corresponds to your number of **full years** of creditable service (e.g., if you have 32.8 years of service, your RetirementPlus percentage is the percentage listed for 32 years, not 33 years.

Your full years of creditable service	Your Membership Tier	
	Tier 1 <i>Established membership before 4/2/2012</i>	Tier 2 <i>Established membership on or after 4/2/2012</i>
30	12%	14%
31	14%	16%
32	16%	18%
33	18%	20%
34	20%	22%
35	22%	24%
36	24%	26%
37	26%	28%
38	28%	30%
39	30%	32%
40	32%	34%

*For the Option C factor table, see page 32.*



## Appendix B (continued)

Benefit estimate worksheet and examples		Your Membership Tier <input type="text"/>		Example: Tier 1 Established membership before 4/2/2012	Examples: Tier 2 Established membership on or after 4/2/2012	
Formula		You as of <input type="text"/> / <input type="text"/> / <input type="text"/>	You as of <input type="text"/> / <input type="text"/> / <input type="text"/>		With less than 30 years of creditable service	With 30 years or more of creditable service
<b>Option A</b>	Option A age factor (see table)	Age <input type="text"/>	Age <input type="text"/>	Age 58 0.018	Age 60 0.0145	Age 60 0.01625
	x Years of creditable service	x <input type="text"/>	x <input type="text"/>	x 35	x 28	x 30
	Base % of salary average	<input type="text"/> %	<input type="text"/> %	63.00%	40.60%	48.75%
	+ RetirementPlus %, if applicable*	+ <input type="text"/> %	+ <input type="text"/> %	Participating + 22.00%	Participating + 0.00%	Participating + 14.00%
	Total % of salary average**	<input type="text"/> %	<input type="text"/> %	80.00%	40.60%	62.75%
	x Salary average Tier 1, 3-yr; Tier 2, 5-yr	x \$ <input type="text"/>	x \$ <input type="text"/>	x 3-yr sal avg \$65,000	x 5-yr sal avg \$60,000	x 5-yr sal avg \$63,000
	Option A annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$52,000	\$24,360	\$39,533
<b>Option B</b>	+ Veteran's benefit***	+ \$ <input type="text"/>	+ \$ <input type="text"/>	+ \$300	+ \$300	+ \$300
	Final Option A annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$52,300	\$24,660	\$39,833
	Final Option A annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$52,300	\$24,660	\$39,833
<b>Option B</b>	x 99% (1% less than Option A)****	x 99%	x 99%	x 99%	x 99%	x 99%
	Option B annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$51,777	\$24,413	\$39,435
	Option B annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$51,777	\$24,413	\$39,435
<b>Option C</b>	Option A annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$52,000	\$24,360	\$39,533
	x Option C Factor (see table)	x <input type="text"/>	x <input type="text"/>	Ben. age 57 x 0.9194	Ben. age 59 x 0.9099	Ben. age 59 x 0.9099
	Option C annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$47,809	\$22,165	\$35,971
	+ Veteran's benefit***	+ \$ <input type="text"/>	+ \$ <input type="text"/>	+ \$300	+ \$300	+ \$300
	Final Option C annual allowance	\$ <input type="text"/>	\$ <input type="text"/>	\$48,109	\$22,465	\$36,271
<b>Option C</b>	x 2/3 (survivor portion)	x 2/3	x 2/3	x 2/3	x 2/3	x 2/3
	Annual member-survivor benefit	\$ <input type="text"/>	\$ <input type="text"/>	\$32,073	\$14,977	\$24,181

\* If you are participating in RetirementPlus, and you have 30 or more years of creditable service—at least 20 of which are “membership” service with the MTRS or the Boston Retirement System as a teacher—enter the appropriate percentage from the RetirementPlus percentage table.

\*\* Your “Total % of salary average” may not exceed 80 percent.

\*\*\* If you are a wartime veteran, \$15 for each year of teaching service (up to a maximum of \$300) is added to the Option A annual allowance.

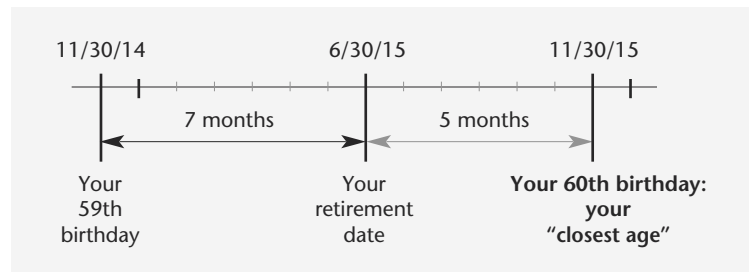
\*\*\*\* The Option B allowance is approximately 1% less than the Option A amount. For purposes of illustration only, we have estimated the Option B amount at 1% less than the Option A amount.

## Option C factor table

To obtain your Option C factor, determine what your age will be *on your birthday closest to your retirement date*; then determine what your beneficiary's age will be *on his or her birthday that is closest to your retirement date*. Your Option C factor is the number where the row and column for your ages intersect. If the combination of your ages is not listed here, please visit our website at [mass.gov/mtrs](http://mass.gov/mtrs) or contact us for the appropriate factor.

To determine your "closest age," count the number of months and days between your birthday before your date of retirement, and your next birthday *after* your date of retirement. Your "closest age" is your age on your birthday that is closest to your date of retirement.

For example, if you are retiring on June 30, and your birthday is November 30, your "closest age" is your age on your birthday *after* your retirement date.



		Beneficiary's closest age																		
		50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
Member's closest age	50	.9509	.9528	.9546	.9565	.9583	.9601	.9618	.9635	.9652	.9669	.9685	.9700	.9715	.9730	.9744	.9758	.9771	.9783	.9796
	51	.9460	.9480	.9500	.9520	.9539	.9558	.9577	.9596	.9614	.9632	.9650	.9667	.9683	.9699	.9715	.9730	.9744	.9758	.9772
	52	.9408	.9429	.9450	.9471	.9492	.9512	.9533	.9553	.9573	.9592	.9611	.9630	.9648	.9665	.9683	.9699	.9715	.9730	.9745
	53	.9350	.9372	.9395	.9417	.9440	.9462	.9484	.9506	.9527	.9548	.9569	.9589	.9609	.9628	.9646	.9665	.9682	.9699	.9716
	54	.9287	.9311	.9335	.9359	.9383	.9406	.9430	.9453	.9477	.9499	.9522	.9544	.9565	.9586	.9606	.9626	.9645	.9664	.9682
	55	.9219	.9244	.9270	.9295	.9320	.9346	.9371	.9396	.9421	.9445	.9470	.9493	.9517	.9539	.9562	.9583	.9604	.9625	.9644
	56	.9146	.9173	.9199	.9226	.9253	.9280	.9307	.9334	.9360	.9387	.9413	.9438	.9463	.9488	.9512	.9536	.9559	.9581	.9603
	57	.9068	.9096	.9124	.9152	.9181	.9209	.9238	.9267	.9295	.9323	.9351	.9379	.9406	.9433	.9459	.9484	.9509	.9534	.9558
	58	.8984	.9013	.9043	.9073	.9103	.9133	.9163	.9194	.9224	.9254	.9284	.9314	.9343	.9372	.9400	.9428	.9455	.9482	.9507
	59	.8895	.8925	.8956	.8987	.9019	.9051	.9083	.9115	.9147	.9179	.9211	.9243	.9274	.9305	.9336	.9366	.9395	.9424	.9452
	60	.8800	.8831	.8863	.8896	.8929	.8963	.8997	.9031	.9065	.9099	.9133	.9167	.9200	.9233	.9266	.9299	.9330	.9361	.9392
	61	.8699	.8732	.8765	.8799	.8834	.8869	.8904	.8940	.8976	.9012	.9048	.9084	.9120	.9156	.9191	.9225	.9260	.9293	.9326
	62	.8592	.8626	.8661	.8696	.8732	.8769	.8806	.8844	.8882	.8920	.8958	.8996	.9034	.9072	.9110	.9147	.9184	.9220	.9256
	63	.8481	.8516	.8551	.8588	.8626	.8664	.8703	.8742	.8782	.8822	.8862	.8902	.8943	.8983	.9023	.9063	.9102	.9141	.9179
	64	.8364	.8400	.8437	.8475	.8513	.8553	.8594	.8635	.8676	.8718	.8760	.8803	.8846	.8888	.8931	.8973	.9015	.9057	.9098
	65	.8241	.8278	.8316	.8355	.8395	.8436	.8478	.8521	.8564	.8608	.8653	.8697	.8742	.8787	.8832	.8877	.8922	.8967	.9011
	66	.8113	.8151	.8190	.8230	.8271	.8314	.8357	.8401	.8446	.8492	.8539	.8585	.8633	.8680	.8728	.8775	.8823	.8870	.8917
	67	.7980	.8018	.8058	.8099	.8142	.8186	.8230	.8276	.8323	.8370	.8419	.8468	.8517	.8567	.8617	.8667	.8717	.8768	.8817
	68	.7840	.7879	.7920	.7962	.8006	.8051	.8097	.8144	.8192	.8242	.8292	.8343	.8394	.8446	.8499	.8552	.8605	.8658	.8711
	69	.7694	.7734	.7776	.7819	.7863	.7909	.7956	.8005	.8055	.8105	.8157	.8210	.8264	.8318	.8373	.8428	.8484	.8540	.8596
70	.7542	.7582	.7624	.7668	.7713	.7760	.7808	.7858	.7909	.7962	.8015	.8070	.8125	.8182	.8239	.8297	.8355	.8414	.8473	

# Choosing your retirement date

## Summer birthdays, mid-year retirements and other considerations

Your retirement date affects not only the amount of your benefits, but when they become payable and when you become eligible to receive your first cost-of-living adjustment (COLA). For some members, choosing a retirement date is a simple decision; for others, it is a difficult and emotional choice. To choose the retirement date that is best for you—financially and personally—make sure that you understand how the formula works and the financial considerations involved.

### Consider what these dates could mean for you...

■ <b>June 30</b>	The majority of MTRS members retire on June 30, the date on which most contracts for teachers come to an end. Additionally, by regulation, MTRS members retiring at the end of the school year <b>must</b> use June 30 as their retirement date even if the last day of school is earlier in the month. This rule exists so that teachers not only complete their contractual obligations, but also receive full service and salary credit for the year for their retirement calculations.
■ <b>Your birthday*</b>	<p><b>In July or August:</b> If you're under age 65 (Tier 1) or age 67 (Tier 2), it may be in your financial interest to retire on your birthday instead of June 30. On your birthday, your age factor will be higher, resulting in a greater retirement benefit for the rest of your life. Note, however, that you need to consider the amount of retirement benefits that you "give up" by postponing your retirement date until your birthday. <b>Example:</b> Joe Teacher will turn 61 on his birthday on August 2. If he retires on his birthday instead of June 30, he will "give up" the equivalent of one month and two days of retirement benefits that he would have received if he had retired on June 30. However, it is financially advantageous for Joe to wait until his birthday because he has determined that his retirement allowance will be sufficiently greater on that date—allowing him to recoup the retirement payments he "gave up" in a short period of time—and he will receive his increased benefit for the rest of his life.</p> <p><b>During the school year:</b> To receive the benefit of a higher age factor, you may want to retire on your birthday during the school year—or at the end of the month in which your birthday occurs. The MTRS calculates creditable service based on <b>full years and full months</b> of employment. Accordingly, if your birthday is October 17, it would most likely be in your financial interest to work until the end of October and use October 31 as your retirement date; by using October 31, you will receive service credit for the full month.</p> <p><small>*Using a later birthday as a retirement date will <b>not</b> result in an increase in:</small></p> <ul style="list-style-type: none"> <li>■ <b>the age factor</b> used in the calculation of your retirement allowance if you are already at age 65 (Tier 1) or age 67 (Tier 2); or,</li> <li>■ <b>your total percentage of salary average</b>, if, based on the current combination of your age and years of creditable service, you have already reached the maximum allowance of 80% of your final salary average.</li> </ul>
■ <b>Any date during the school year</b>	If circumstances arise that cause you to decide to retire during the school year, please keep in mind that the MTRS calculates creditable service based on <b>full years and full months</b> of employment. Accordingly, it would most likely be in your financial interest to work until the end of a particular month, if possible, so that you receive service credit for the full month. Reminder: If you are on fully paid sick leave, you are accruing full service and salary credit toward retirement.
■ <b>After your separation from service</b>	<p><b>Within 60 days of your separation from service:</b> Your retirement date may be retroactive to your date of separation from service up to 60 days if you file your retirement application—along with a copy of your school district's written acceptance of your retroactive retirement date—within 60 days of your separation from service.</p> <p><b>More than 60 days after your separation from service:</b> If you file your retirement application more than 60 days after your separation from service, your date of retirement cannot be retroactive—it may be no earlier than 15 days from the date that we receive your application. <b>Example:</b> Mary Educator resigns her teaching position on June 30, 2015 to explore another career. On February 1, 2016 she decides to retire from the MTRS. Her earliest retirement date is February 16, 2016.</p>

### ...and understand what your date of retirement means regarding COLAs...

**Reminder—**  
While annual COLAs have been granted in recent years, COLAs are subject to legislative approval every year, and are not guaranteed.


**Eligibility for first COLA:** You must be retired for a full fiscal year in order to receive your first cost-of-living adjustment (COLA), and fiscal years run from July 1 to June 30. Accordingly, if you retire on June 30, 2015, you will be eligible to receive your first COLA on July 1, 2016; if you retire just one month later, on July 30, 2015, you must wait until July 1, 2017—nearly two calendar years—to receive a COLA.

**COLAs are cumulative:** If they are granted, COLAs are added to your gross retirement allowance. For example, if your annual retirement allowance is \$40,000 and the COLA is \$390, your gross allowance becomes \$40,390. With the next year's COLA, your allowance increases to \$40,780; the following year it is \$41,170, and so on. In other words, that first \$390 "stays" in your allowance over the years. So if you retire on July 30 instead of June 30, you will not only "miss" that first COLA of \$390 in your first year of retirement, but every year thereafter. Over the course of 20 years, that could result in \$7,800 in "missed" COLAs; while this may not make enough of a difference for you to change your choice of retirement date, you should be aware of the effect this might have on your benefits.



# Retirement planning: Common issues and checklist

- **We advise you to file your retirement application FOUR months before your retirement date. However, by law, you may file your application up to 60 days after your effective date of separation from service and still use the date of separation as your retirement date.**

 If you file your application more than 60 days after your date of separation from service, the earliest effective date of retirement you may use will be 15 days after the date we receive your completed application. Also, if you are retiring on your birthday, use that exact day as your date of retirement, **not** the day after. See Appendix C (page 33) for information on choosing your retirement date.

- **Retirement applications are processed on a first-come, first-served basis.**  
Please understand that it may take up to four months before your benefit calculation is complete and you are sent your *Notice of Estimated Retirement Benefit* (NERB) and first payment information from the MTRS.

- **Even if you file your retirement application four months before your date of retirement, the earliest that your first retirement payment may be issued is at the end of the first full month after your retirement date.**

You can generally plan on receiving your:

- **Notice of Estimated Retirement Benefit (NERB)** about three to four months after you file your retirement application, and
- **first retirement benefit payment** *either* at the end of the first full month *after* you receive your NERB, *or* at the end of the first full month *after* your date of retirement, whichever is later.

For example, if you wish to retire on June 30, and you file your application by March 1, depending on how quickly we are able to process your application, you may receive your NERB any time between mid-April and mid-June. However, because the earliest you may receive your first payment is at the end of the first full month *after* your retirement date, even if we send you your NERB before June, the earliest you may receive your first payment is July 31. Be assured that all first checks are paid retroactive to your effective date of retirement.

- **In some cases, your first retirement payment will be in the form of a check, and mailed to your home.**  
This slight delay in implementing the direct deposit of your benefits is to allow the State Treasury time to test your electronic funds transfer before your first direct deposit is made.

- **Retirement checks are issued at the end of each month and represent payment for the previous month.**  
For example, the payment that you receive at the end of January is the payment **for** January.

- **Direct deposit statements are NOT mailed to you every month.**

Once your direct deposit commences, you will receive a statement in the mail detailing your monthly benefit and deductions. After this initial statement, you will receive a statement in the mail only:

- when there is a change in the amount of your deposit from the prior month;
- when we need to provide retirees with new information and we print a special notice on the top portion of the direct deposit statement; or
- at the end of December, when we send you a summary of your payments and deductions for the calendar year.

- **Find out more about retirement issues.**

Visit our website at [mass.gov/mtrs](http://mass.gov/mtrs) for important information on:

- the three retirement options: A, B and C;
- purchasing creditable service;
- health insurance;
- Social Security
- working after retirement;
- taxes; and,
- cost of living adjustments (COLAs).

# Your retirement process timeline and checklist

To fill in the dates, start with “Your date of retirement” and work backward



## IMPORTANT REMINDERS REGARDING CREDITABLE SERVICE

ALL service purchases must be applied for while you are a member in service, and paid for in full BEFORE your effective date of retirement.

**LATE PAYMENTS WILL DELAY YOUR DATE OF RETIREMENT**—and because retirement benefits are retroactive only to your date of retirement, **late payments will cause you to lose money!**

As you will see on the application, you are asked to list all of your creditable service and provide your “best estimate” of your total number of years. However, it is NOT necessary for you to request a “creditable service estimate” from the MTRS in order to complete your application. When we process your application, we will determine your exact amount of creditable service and notify you of the total before your benefit is finalized.

If you have any questions about purchasing service, please contact our office.

When (in relation to your date of retirement)	Action	Your dates
One year before	<input type="checkbox"/> CONTACT your local health insurance coordinator to confirm the health insurance coverage for which you will qualify as a retiree. If you cover a spouse or other dependent, be sure to ask about dependent coverage while you are retired <i>and</i> in the event of your death.	<input type="text" value="/ /"/>
7–8 months before	<input type="checkbox"/> GO to our website at <b>mass.gov/mtrs</b> , and select Active and inactive members > Creditable service. <b>Review</b> all of the types of service listed and <b>apply to purchase</b> any that apply to you and for which you have not yet established credit.	<input type="text" value="/ /"/>
6 months before	<input type="checkbox"/> GO to our website at <b>mass.gov/mtrs</b> , and, in the “Quick links to popular pages” menu, select “Apply for retirement.” Follow the steps to estimate your benefits, review FAQ and download and print your retirement application.	<input type="text" value="/ /"/>
	<input type="checkbox"/> If you have any pending creditable service purchases, request invoices from us and be sure to tell us that you are retiring.	<input type="text" value="/ /"/>
5 months before	<input type="checkbox"/> Complete Part 1 of the application and forward Part 2 to your payroll officer for completion.	<input type="text" value="/ /"/>
	<input type="checkbox"/> Gather your required documents. <b>⚠ NOTE:</b> If you do <b>not</b> submit the required documents with your application, your application will <b>not</b> be processed. <ul style="list-style-type: none"> <li><input type="checkbox"/> Photocopy of your marriage certificate (<i>if you no longer use your former or maiden name or if you are selecting Option C and naming your spouse as beneficiary</i>)</li> <li><input type="checkbox"/> Your <b>certified</b> birth record* (<i>photocopy not accepted</i>)</li> <li><input type="checkbox"/> Photocopy of your military discharge form DD214 (<i>if you are a veteran</i>)</li> <li><input type="checkbox"/> Photocopy of your notice of resignation (<i>if you are filing for an involuntary termination retirement allowance OR are retiring on a day other than the last day in your contract year</i>)</li> <li><input type="checkbox"/> Photocopies of your contracts/salary schedules for your 3-year salary average period, including any pages referencing contractual language to substantiate any earnings in excess of your regular contract rates</li> <li><input type="checkbox"/> A VOIDed check (<i>if your designated account for direct deposit is a checking account</i>)</li> <li><input type="checkbox"/> Photocopy of your qualified Domestic Relations Order (<i>if you are divorced and have such an order in effect; please include your ex-spouse’s current address</i>)</li> <li><input type="checkbox"/> Your beneficiary’s <b>certified</b> birth record* (<i>if you are selecting Option C; photocopy not accepted</i>)</li> </ul> <p>* Your original documents will be returned to you.</p>	<input type="text" value="/ /"/>
4 months before	<input type="checkbox"/> Receive signed Part 2 from your payroll officer.	<input type="text" value="/ /"/>
	<input type="checkbox"/> <b>Make a copy of Part 1, Part 2 and ALL attachments.</b>	<input type="text" value="/ /"/>
	<input type="checkbox"/> Submit your application and ALL attachments to MTRS. <i>We will acknowledge receipt of your application in writing.</i>	<input type="text" value="/ /"/>
	<input type="checkbox"/> Make payment for any pending creditable service purchases.	<input type="text" value="/ /"/>
	<input type="checkbox"/> Remind your local health insurance coordinator that you are retiring, and complete any necessary insurance paperwork.	<input type="text" value="/ /"/>
<b>Your date of retirement</b>		<input type="text" value="/ /"/>
3–4 months after you file your complete retirement application	<input type="checkbox"/> Receive your <i>Notice of Estimated Retirement Benefit</i> (NERB), which will show your estimated retirement benefit.	<input type="text" value="/ /"/>
<b>EITHER</b> first full month <i>after you receive your NERB</i> <b>OR</b> first full month <i>after your date of retirement, whichever is later</i>	<input type="checkbox"/> Receive your first retirement benefit payment.	<input type="text" value="/ /"/>

## Part-time service: How it is credited and other notes

Pursuant to 807 CMR 3.04

For part-time membership service rendered...	You will receive...
■ On or before 11/9/1990	<b>Full-time credit</b>
■ Between 11/9/1990 and 7/9/2010	If your employment status during this period: <ul style="list-style-type: none"> <li><input type="checkbox"/> did not change (i.e., you did not go from part-time to full-time, or vice versa), <b>full-time</b> credit</li> <li><input type="checkbox"/> changed (i.e., you went from part-time to full-time, or vice versa, excepting pre-kindergarten or kindergarten service), <b>prorated credit</b> based on the percentage of full-time service it represents (e.g., if you worked for one year on a half-time basis, you will receive 0.50 year of service credit for that year).</li> </ul>
■ On or after 7/9/2010	<b>Prorated credit</b> based on the percentage of full-time service it represents, regardless of any change in your employment status (e.g., if you worked for one year on a half-time basis, you will receive 0.50 year of service credit for that year).

### Pre-kindergarten and kindergarten teaching service

If you rendered any part-time membership service prior to July 9, 2010 as a pre-kindergarten or kindergarten teacher, please note that that service is credited as full-time equivalent (FTE) service.

### Sabbaticals and partially paid leaves of absence

All sabbatical leaves and partially paid leaves of absence are prorated based on the percentage of full-time salary you received (e.g., if you were on a full-year sabbatical at 50% salary, you will receive 0.50 year of service credit for that year).

### Part-time nonmembership service

All part-time nonmembership service is prorated based on the percentage of full-time service that it represents. Additionally, all part-time service in the Boston Retirement System will be prorated.

### Membership service and RetirementPlus

Membership service is service you acquire while working in a position eligible for membership in the MTRS during which you contribute directly to the MTRS via a payroll deduction by your school district. If you are participating in RetirementPlus, you must have 30 years of creditable service—at least 20 of which must be “membership” service with the MTRS or the Boston Retirement System as a teacher—in order to receive the enhanced benefit.

### An exception: Part-time service and eligibility for ordinary disability retirement

For the purpose of determining your eligibility for ordinary disability benefits, part-time service will count as full-time service for purposes of meeting the ten-year minimum service requirement, but not for purposes of determining your benefit amount.

### Full-time salary equivalent

Whenever prorated part-time service is used in the calculation of a retiring member’s benefit allowance, the MTRS will use the member’s full-time equivalent salary to determine his or her final salary average. In other words, your service credit will be prorated, but your salary equivalent will not—you will not be “double-prorated” in the calculation of your retirement benefit.

### An example: Mary Music

For illustration purposes only; results may not be typical

A part-time music teacher her entire career and a member of the MTRS prior to April 2, 2012, Mary has always worked on a 60%-of-full-time basis. She is retiring at age 60 on June 30, 2015. She did not elect to participate in RetirementPlus.

#### Creditable service (all on a 60%-of-full-time basis)

9/1/1993–6/30/2010 (full-time equivalent)	17 yrs
9/1/2010–6/30/2015 (prorated)	3 yrs
<b>Total</b>	<b>20 yrs</b>

#### Salary average

	Actual earnings	Full-time equivalent
9/1/2012–6/30/2013	\$42,000	\$70,000
9/1/2013–6/30/2014	\$43,200	\$72,000
9/1/2014–6/30/2015	\$44,400	\$74,000
<b>Total</b>	<b>\$129,600</b>	<b>\$216,000</b>
÷ 3 years	÷ 3	÷ 3
<b>Salary average</b>	<b>\$43,200</b>	<b>\$72,000</b>

#### Benefit calculations

Age factor (age 60)	0.20
x Years of creditable service	x <b>20</b>
% of salary average	40%
+ RetirementPlus percentage	+ n/a
Allowable % of salary average	40%
x Salary average (full-time equivalent)	x <b>\$72,000</b>
<b>Option A allowance</b>	<b>\$28,800</b>



## Notes

[illegible]

# Social Security and the MTRS member

**Remember** to contact the Social Security Administration, and **understand** whether—and how—the two offsets may apply to you

**Q** During your membership in the MTRS, you pay into the retirement system instead of Social Security. Do you still need to contact the Social Security Administration?

YES—all MTRS members should contact the Social Security Administration to determine their eligibility for Social Security benefits, including Medicare—and when they need to apply for Part B—**EITHER three months before your retirement OR three months before age 65, whichever comes first.**

Massachusetts is one of a handful of “non-Social Security” states. This means that you, as a member of a contributory retirement system, pay into our system instead of Social Security; you do not earn any Social Security “credits” or “quarters” for your MTRS contributions or service. However, you may have earned Social Security credits through other employment. If you are eligible for Social Security benefits—either based on your own past employment, or your spouse’s past employment, you may be subject to one of two Social Security “double-dipping” laws, as outlined below.

**Q** Do you expect to be eligible to collect Social Security benefits based on...

1) ...your **own** past employment? ☐ Yes ☐ No

If yes, you may be subject to the Windfall Elimination Provision (WEP). If you have 40 credits (or “quarters”) under the Social Security system (in other words, you are eligible to receive Social Security benefits), then Social Security will use a “modified formula” to calculate your pension **unless**:

- you had 20 years of creditable service with the MTRS before January 1, 1986 *or*
- you were age 55 and had at least 10 years of creditable service before January 1, 1986 *or*
- you will have at least 30 years of “substantial earnings” under the Social Security system. For further information on “substantial earnings,” contact your local Social Security Administration office.

If you do not meet any of these requirements, you will receive a reduced Social Security pension. In order to determine the amount of the reduction that applies to you, please contact the Social Security Administration at 800-772-1213.

If you are eligible to receive Social Security benefits, and, at the time you are eligible for an MTRS retirement benefit you instead take a refund of your MTRS account, your Social Security benefits could be subject to reduction under the Windfall Elimination Provision.

2) ...your **spouse’s** past employment? ☐ Yes ☐ No

If yes, you may be subject to the Government Pension Offset (GPO). If you expect to collect a spousal or widow’s benefit under Social Security, these benefits may be reduced by two-thirds of the amount of your MTRS retirement allowance. You will be exempt from this offset if you meet all the requirements for Social Security Spousal benefits in effect in 1977 *and*:

- you had 20 years of creditable service with the MTRS before December 1, 1982 *or*
- you were age 55 and had at least 10 years of creditable service before December 1, 1982 *or*
- you were age 55 or had 20 years of creditable service before July 1, 1983 *and* you received half support from your spouse.

In all cases, the Social Security Administration requires that male retirees of the MTRS must have received at least half support from their wives to apply for spousal benefits.

# The Windfall Elimination Provision (WEP)

## Your Social Security retirement or disability benefits may be reduced

If you work for an employer who does not withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any pension you get based on that work may reduce your Social Security benefits.

The Windfall Elimination Provision affects how the amount of your retirement or disability benefit is calculated if you receive a pension from work where Social Security taxes were not taken out of your pay. A modified formula is used to calculate your benefit amount, resulting in a lower Social Security benefit than you otherwise would receive.

## When your benefits may be affected

The Windfall Elimination Provision primarily affects you if you earned a pension in any job where you did not pay Social Security taxes and you also worked in other jobs long enough to qualify for a retirement or disability benefit.

For example, this provision affects Social Security benefits when any part of a person’s federal service after 1956 is covered under the Civil Service Retirement System (CSRS). However, federal service where Social Security taxes are withheld (Federal Employees’ Retirement System) will not reduce your Social Security benefit amounts.

The Windfall Elimination Provision may apply if:

- you reached 62 after 1985; or
- you became disabled after 1985; and
- you first became eligible for a monthly pension based on work where you did not pay Social Security taxes after 1985, even if you are still working.

## Why a different formula is used

Social Security benefits are intended to replace only a percentage of a worker’s pre-retirement earnings. The way Social Security benefit amounts are figured, lower-paid workers get a higher return than highly paid workers. For example, lower-paid workers could get a Social Security benefit that equals about 55 percent of their pre-retirement earnings. The average replacement rate for highly paid workers is about 25 percent.

Before 1983, people who worked mainly in a job not covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job where they did not pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

## How it works

Social Security benefits are based on the worker’s average monthly earnings adjusted for inflation. Social Security separates your average earnings into three amounts and multiplies the amounts using three factors. For example, for a worker who turns 62 in 2014, the first \$816 of average monthly earnings is multiplied by 90 percent; the next \$4,101 by 32 percent; and the remainder by 15 percent. The sum of the three amounts equals the total monthly payment amount.

The 90 percent factor is reduced in the modified formula and phased in for workers who reached age 62 or became disabled between 1986 and 1989. For those who reach 62 or became disabled in 1990 or later, the 90 percent factor is reduced to 40 percent.

There are exceptions to this rule. For example, the 90 percent factor is not reduced if you have 30 or more years of “substantial” earnings in a job where you paid Social Security taxes. See the table listing *Amount considered substantial, by year*, in the margin at right.

Social Security  
Administration  
Factsheet:  
SSA Publication  
No. 05-10045  
2014

Amount considered “substantial,” by year	
Year	Substantial Earnings
1937-54 . . . .	\$ 900
1955-58 . . . .	1,050
1959-65 . . . .	1,200
1966-67 . . . .	1,650
1968-71 . . . .	1,950
1972 . . . . .	2,250
1973 . . . . .	2,700
1974 . . . . .	3,300
1975 . . . . .	3,525
1976 . . . . .	3,825
1977 . . . . .	4,125
1978 . . . . .	4,425
1979 . . . . .	4,725
1980 . . . . .	5,100
1981 . . . . .	5,550
1982 . . . . .	6,075
1983 . . . . .	6,675
1984 . . . . .	7,050
1985 . . . . .	7,425
1986 . . . . .	7,875
1987 . . . . .	8,175
1988 . . . . .	8,400
1989 . . . . .	8,925
1990 . . . . .	9,525
1991 . . . . .	9,900
1992 . . . . .	10,350
1993 . . . . .	10,725
1994 . . . . .	11,250
1995 . . . . .	11,325
1996 . . . . .	11,625
1997 . . . . .	12,150
1998 . . . . .	12,675
1999 . . . . .	13,425
2000 . . . . .	14,175
2001 . . . . .	14,925
2002 . . . . .	15,750
2003 . . . . .	16,125
2004 . . . . .	16,275
2005 . . . . .	16,725
2006 . . . . .	17,475
2007 . . . . .	18,150
2008 . . . . .	18,975
2009-2011 . .	19,800
2012 . . . . .	20,475
2013 . . . . .	21,075
2014 . . . . .	21,750



### Percentage applied to “substantial” earnings

Years of Substantial Earnings	%
30 or more . . .	90%
29 . . . . .	85
28 . . . . .	80
27 . . . . .	75
26 . . . . .	70
25 . . . . .	65
24 . . . . .	60
23 . . . . .	55
22 . . . . .	50
21 . . . . .	45
20 or less . . .	40

The table titled *Percentage applied to “substantial” earnings*, in the margin at left, shows the percentage used depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, the 90 percent factor is reduced to between 45 and 85 percent.

To see the maximum amount your benefit could be reduced, visit [www.socialsecurity.gov/retire2/wep-chart.htm](http://www.socialsecurity.gov/retire2/wep-chart.htm).

### Some exceptions...

The Windfall Elimination Provision does not apply if:

- you are a federal worker first hired after December 31, 1983;
- you were employed on December 31, 1983, by a nonprofit organization that did not withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes from your pay;
- your only pension is based on railroad employment;
- the only work you did where you did not pay Social Security taxes was before 1957; or
- you have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision does not apply to survivors’ benefits. However, benefits may be reduced for widows or widowers because another provision of the law. For more information, see the Government Pension Offset (Publication No. 05-10007), below.

### ...and a guarantee

If you get a relatively low pension, you are protected. The reduction in your Social Security benefit cannot be more than one-half of the amount of your pension based on your earnings after 1956 on which you did not pay Social Security taxes.

Social Security  
Administration  
Factsheet:  
SSA Publication  
No. 05-10007  
June 2012

## The Government Pension Offset (GPO)

### A law that affects spouses and widows or widowers

If you receive a pension from a federal, state or local government based on work where you did not pay Social Security taxes, your Social Security spouse’s or widow’s or widower’s benefits may be reduced. This fact sheet provides answers to questions you may have about the reduction.

### How much will my Social Security benefits be reduced?

Your Social Security benefits will be reduced by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you are eligible for a \$500 spouse’s, widow’s or widower’s benefit from Social Security, you will receive \$100 per month from Social Security (\$500 – \$400 = \$100).

If you take your government pension annuity in a lump sum, Social Security still will calculate the reduction as if you chose to get monthly benefit payments from your government work.

### Why will my Social Security benefits be reduced?

Benefits Social Security pays to wives, husbands, widows and widowers are “dependent’s” benefits. These benefits were established in the 1930s to compensate spouses who stayed home to raise a family and who were financially dependent on the working spouse. But as it has become more common for both spouses in a married couple to work, each earned his or her own Social Security retirement benefit. The law has always required that a person’s benefit as a spouse, widow, or widower be offset dollar for dollar by the amount of his or her own retirement benefit.

In other words, if a woman worked and earned her own \$800 monthly Social Security retirement benefit, but she was also due a \$500 wife's benefit on her husband's Social Security record, Social Security could not pay that wife's benefit because her own Social Security benefit offset it. But, before enactment of the Government Pension Offset provision, if that same woman was a government employee who did not pay into Social Security, and who earned an \$800 government pension, there was no offset, and Social Security was required to pay her a full wife's benefit in addition to her government pension.

If this government employee's work had instead been subject to Social Security taxes, any Social Security benefit payable as a spouse, widow or widower would have been reduced by the person's own Social Security retirement benefit. In enacting the Government Pension Offset provision, Congress intended to ensure that when determining the amount of spousal benefit, government employees who do not pay Social Security taxes would be treated in a similar manner to those who work in the private sector and do pay Social Security taxes.

### When won't my Social Security benefits be reduced?

Generally, your Social Security benefits as a spouse, widow or widower will not be reduced if you:

- are receiving a government pension that is not based on your earnings; or
- are a federal (including Civil Service Offset), state or local government employee whose government pension is based on a job where you were paying Social Security taxes; and
  - ☐ you filed for and were entitled to spouse's, widow's or widower's benefits before April 1, 2004; or
  - ☐ your last day of employment (that your pension is based on) is before July 1, 2004; or
  - ☐ you paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain conditions, fewer than 60 months may be required for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

Also, there are other situations where Social Security benefits as a spouse, widow or widower will not be reduced; for example, if you:

- are a federal employee who elected to switch from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and
  - ☐ you filed for and were entitled to spouse's, widow's or widower's benefits before April 1, 2004; or
  - ☐ your last day of service (that your pension is based on) is before July 1, 2004; or
  - ☐ you paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or
- received or were eligible to receive a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- received or were eligible to receive a federal, state or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

**Note:** A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.

### What about Medicare?

Even if you do not receive cash benefits based on your spouse's work, you still can get Medicare at age 65 on your spouse's record if you are not eligible for it on your own record.

### Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse or widow or widower. However, your own benefits may be reduced because of another provision of the law. For more information, see Windfall Elimination Provision (Publication No. 05-10045), above.

## Contacting Social Security

For information from the Social Security Administration, call the toll-free customer service phone line at 800-772-1213.

Representatives are available to answer questions from 7 a.m. to 7 p.m. and the line is open 24 hours a day for general recorded information. Or visit online at [www.ssa.gov](http://www.ssa.gov).

If you believe that, based on your age and/or amount of creditable service with the MTRS, you are exempt from either the Windfall Elimination Provision or the Government Pension Offset, the Social Security Administration will require you to submit a letter from us that states the date on which you met the eligibility requirement. To request this letter, call us at 617-679-6877.

## Notes

[illegible]



## Notes

[illegible]

## Notes

[illegible]

# Don't worry— We'll be here for you in retirement, too

After you retire, we will still be here to serve you—and we look forward to continuing our relationship with you for many years. Please know that, throughout your retirement, we will continue to have responsibilities to each other.

During your retirement, **YOU** need to:

- **CONTACT** the MTRS if you...
  - **CHANGE** your name, address or Social Security number
  - **BECOME RE-EMPLOYED** by a Massachusetts public employer and exceed the time and earnings limitations
  - **BECOME DIVORCED**, and your retirement allowance is divided
  - **WANT TO CHANGE** your withholding for federal taxes, retiree beneficiary designation (Option A month-of-death, pro-rata payment only, or Option B), or direct deposit information
  - **WANT TO PARTICIPATE** in the governance of the MTRS or Pension Reserves Investment Board (PRIM) as an elected Board member
  - If you are receiving an ordinary or accidental disability retirement benefit, **BEGIN TO RECEIVE** Workers' Compensation benefits, or **HAVE A CHANGE** in your Workers' Compensation benefits
- **COMPLETE** and **RETURN** your Benefit Verification form when we mail it to you, to confirm that you are still eligible to receive your benefit payment
- **ADVISE** your survivors to contact us in the event of your death

During your retirement, **WE** will:

- **PAY** you a monthly retirement allowance
- **FORWARD** your health insurance payment, if applicable
- Pursuant to your instructions, **WITHHOLD** federal income tax from your benefit payment
- In January of every year, **SEND** you a 1099-R tax form
- **PAY** a benefit to your survivor, if applicable

Thank you for taking an active interest in your retirement planning by attending our program today.

We hope that it has been informative and helpful!





## MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM

### MAIN OFFICE

One Charles Park, Cambridge, MA 02142-1206

Phone 617-679-MTRS (6877)

Fax 617-679-1661

### WESTERN REGIONAL OFFICE

One Monarch Place, Suite 510, Springfield, MA 01144-4028

Phone 413-784-1711

Fax 413-784-1707

### ONLINE

[mass.gov/mtrs](http://mass.gov/mtrs)

NOVEMBER 2014